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ABSTRACT

Increased funding is vital to any educational renewal. The papers in this publication provide a critical look at the educational system and show that it is clearly a dual system that, more than 40 years after the "Brown vs. the Board of Education" decision remains largely separate and unequal. A key issue is that of educational standards. The glaring weakness in most proposals for academic standards is the conspicuous absence of resources needed to realize them. Without dramatic improvements in the conditions of teaching and learning, standards will neither raise student achievement nor ensure that those who have been worst served by the schools historically will finally get access to better educational programs. The 29 chapters of this book focus on reforms at Federal, state, and local levels, and promote the common theme of educational equity. A glossary is included. Each chapter contains references. (SLD)

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funding for justice

MONEY, EQUITY, AND THE FUTURE OF PUBLIC EDUCATION

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funding for justice

MONEY, EQUITY, AND THE FUTURE OF PUBLIC EDUCATION

A RETHINKING SCHOOLS PUBLICATION

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Money, Schools, and Justice

FROM THE EDITORS

The details are complicated, but the heart of the matter is simple. Our schools don't get enough money, and the money they do get is not distributed fairly.

Beneath the legal briefs, the legislative jargon, and the complex funding formulas that dominate the debate about school finance, two questions persist: Will we provide schools with the resources they need to make high-quality education possible, and will we provide those resources to all children or only some children?

The answers we give will go a long way toward determining whether our society's future will be one of democratic promise or growing division. For all their problems, public schools remain one of the few places where an increasingly diverse and divided population might still come together to pursue a vision of equality. Whether we invest in and nurture our system of public education, or starve and dismantle it in the name of reform, may be the most defining public policy issue we face as a nation.

This does not mean the debate is only about money. It is equally about how that money should be used. In *Funding for Justice*, we speak as supporters of public education, but not as uncritical defenders of what now exists. We seek increased investment in a radically reformed public school system. Indeed, we see increased funding as vital to any hopes of educational renewal. We also look through a lens that is focused on issues of justice and equity and that sees clearly a dual school system which, more than forty years after *Brown vs. the Board of Education*, remains largely separate and unequal.

The importance of a committment to both adequate *and* equitable funding becomes apparent whenever the debate turns to specifics. The ongoing national debate about school reform is constantly generating policy proposals and educational initiatives that have decidedly different impacts on different communities .

Consider, for example, the key issue of educational standards. Increasingly, state and national leaders are proposing curriculum standards as a means of assuring high academic achievement. Often these standards come with high-stakes testing for students at various grade levels. Putting aside for the moment the problematic impact that top-down directives and test-driven curricula have on classrooms, the glaring weakness in most standards proposals is the conspicuous absence of the resources needed to realize them. Without dramatic improvements in the conditions of teaching and learning, standards will neither raise student achievement nor ensure that those who have been worst-served by schools will finally get access to better eductional programs. Instead of promoting excellence, they may reinforce the worst sorting and labelling functions of schooling.

Similar consequences flow from a host of reforms which can be grouped under the heading of disinvestment from public education: vouchers, privatization, and some charter school plans. We have no problem putting pressure on existing educational bureaucracies to change their ways. But market-based reforms in education promise to do for schools only what the market has done for health care and housing: make profits for a few, reserve the best services for a privileged minority, and reproduce the class and race inequalities that prevail in society at large. These reforms also tend to divert resources and attention from the central issue of how to renew our public schools, where the vast majority of our children are, and will continue to be.What we need are funding policies that consciously help schools equalize opportunity between children whose affluence includes home computers, private lessons, and cultural enrichment, and those whose poverty adds only extra burdens.

Whether we invest in and nurture our system of public education, or starve and dismantle it in the name of reform, may be the most defining public policy issue we face as a nation.

Certainly, money isn't everything in education, but it is an inevitable part of every discussion about school change. To keep those discussions on a democratic track, we must constantly pair concerns about resources with concerns about their equitable use.

In the end, our goals may be difficult to win, but they are relatively easy to explain. More resources for schools, more fairly distributed. More investment for the future, better use of what we have today.

A poet once said that justice was like bread. People need a little of each every day. We need to build that kind of daily justice into our public schools. In *Funding for Justice*, we hope to provide information, resources, and support for those taking up the challenge. ■

KATHY SLOANE

Equity Suits Clog the Courts

Legal battles for state remedies face limitations

For the past 25 years, battles over inequities in school funding have been clogging the nation's courts. Ever since the U.S. Supreme Court declared in 1973 in *San Antonio v. Rodriguez* that education was not a fundamental right protected by the U.S. Constitution, equity advocates and public interest lawyers have fought a state-by-state battle against the "savage inequalities" of school finance systems which provide qualitatively different levels of education to students from different class, race, and community backgrounds.

BY STAN KARP

Typically, these inequities have been traced to wide gaps in per-pupil spending among districts and to finance systems that rely heavily on unequal property tax bases as the source of funds for education. But the inequalities run even deeper. They include bizarre funding formulas that dispense state aid in ways that perpetuate inequities; state and federal tax policies that underfund public services like education while preserving pockets of privilege; a general retreat from civil rights-era concerns for equity, desegregation, and racial justice; and the growing economic stratification in society at large. Indeed, in many ways the funding mechanisms that deliver drastically different experiences to kids in different classrooms simply mirror the inequality that exists all around us.

Given its deep roots, it's not surprising that funding equity has been hard to come by despite the growing number of high-profile legal cases. Since the early 1970s, over 30 state Supreme Court decisions have been issued in school finance cases. Just under half have declared existing funding systems illegal and/or inadequate and have mandated a variety of corrective measures. In the remain-

ing cases, courts have rejected the challenges or refrained from intervening despite inequities, contending that the issue is a legislative not judicial matter, or more narrowly reading state constitutional provisions about the state's obligation to provide equal education to all. [1]

SOLUTIONS ELUSIVE

Even where courts have declared funding systems illegal, however, equitable solutions have been far from certain. As New Jersey's Education Law Center, which has battled the state's funding system for over two decades, put it, "Law books are filled with wonderful paper victories which have never been implemented." The state Supreme Court has declared New Jersey's finance system legally inadequate in various ways no less than nine times since the early 1970s, yet the state is still struggling to devise an equitable funding formula that will pass scrutiny. Other states have similar histories of seemingly interminable litigation.

Court decisions, in themselves, have been insufficient to assure equity for several reasons. While glaring disparities in school funding have occasionally persuaded courts to order reform, it has been almost impossible to prevent governors and state legislators from evading or limiting the impact of the court orders. Most courts have been reluctant to go too far in specifying remedies. Restrained by separation-of-powers concerns and the prevailing conservative political climate, courts have generally given states wide latitude to proceed with half-measures and "good faith" efforts, sometimes promising further review if they prove inadequate. At times, judges, governors, and legislators have engaged in prolonged, sometimes ludicrous institutional charades about how much inequality is permissible while generations of school children suffer through injustice.

In some states, tentative steps toward equity made under court pressure have been thwarted by the rising tide of anti-tax populism. California is a prime example. The state's *Serrano* decision in the early 1970s was one of the first requiring a state to correct massive inequities in educational services among districts. Some efforts were made to equalize spending by revising aid formulas and transferring some property tax revenues from wealthier to poorer districts. But these efforts were derailed by Proposition 13, a 1978 ballot initiative that capped property taxes in one of the opening rounds in the "tax revolt" that came to shape local, state, and federal tax policy in the 1980s and '90s (and which, despite its promise of relief to hard-pressed taxpayers, has succeeded mainly in swelling the federal deficit, starving public services, and redirecting wealth upward). As a result of Proposition 13, the state was forced to assume a greater share of local school spending, which did lead to a degree of greater "equity" among districts. But there was also a dramatic decline in spending on California schools relative to other states. In the 1960s, California was fifth in per pupil spending; by the 1990s, it was 42nd. Class size ballooned to the largest in the nation. Because of Proposition 13 and its offspring, support for California schools tended toward "equalization" at a level that kept them in a state of perpetual budgetary crisis and inadequacy. (In addition, a variety of loopholes and privatizing trends, such as the establishment of private educational foundations to subsidize schools in wealthy districts, has meant that pockets of elite spending persist even in the midst of this "equalization.") [2]

The balance sheet, then, on 25 years of state litigation for funding equity is, at best, mixed. The legal basis for funding equity is clearly stronger in many places than it was in the past. In states where legal challenges have been successful, some of the grossest inequities in per pupil district expenditures have been reduced, if not eliminated. School finance reform has become a high-priority issue across the nation, and an unusually broad consensus has been formed around the proposition that a better system of funding schools needs to be created.

At the same time, many of the groups that have come to a consensus on the need for a new system have arrived there with decidedly different agendas. On the one hand are those with essentially a budget-cutting agenda who want to restrain spending on schools, cut property taxes, and eliminate "waste," which, depending on the source, can mean everything from bloated administrative bureaucracy to desperately needed reforms, new facilities, and reductions in class size. On the other hand are those with an equity agenda who see school finance reform as an essential ingredient in an effort to revitalize failing, ineffective school districts while also compensating as much as possible for the devastating effects of poverty, race, and class injustice on the lives of children. These competing perspectives rise to the surface whenever the issue turns to specifics. In the end, they may prove that the apparent consensus on the need for fundamental reform of school finances is illusory.

A SHIFT IN FOCUS

With courts usually limiting themselves to generalized orders for reform, the focus is turning to legislative and public debates about what alternatives exist to systems based on property taxes, about how educational equity should be defined, and about what levels and types of spending are appropriate.

In many ways the funding mechanisms that deliver drastically different experiences to kids in different classrooms simply mirror the inequality that exists all around us.

The property tax issue is both a root problem and, in some ways, a diversion from the core issue of equity. Local property taxes still supply 40-50% of all school funds. State support varies but on average provides about 47%. The federal government's share of education spending, which peaked at just under 10% in 1980, has dropped to less than 7%. [3]

Given the extremely unequal distribution of property in the U.S. and the intense segregation of communities by race and class, it's inevitable that schools heavily dependent on local property taxes will be unequal. In fact, with some 16,000 separate school dis-

tricts, the reliance on property taxes functions as a sorting mechanism for class and race privilege and allows pockets of "elite schooling" to exist within the public system. Any real chance of increasing and redistributing education resources requires fundamentally changing the connection between school spending and local property taxes.

BEYOND THE PROPERTY TAX

Historically, it's been argued that schools rely on local property taxes because of the strong U.S. tradition of local control of schools. But one issue that has been clarified in the state-by-state litigation over funding inequities is that it is the state, not the local district, that has the constitutional responsibility to fund the schools. States may allow education funding to be based on local property taxes, but this is not the result of any immutable standing or compelling interest of local districts. Rather, it's a product of state decisions about its funding policies and about the taxing power it does or does not make available to local entities like school boards and city councils. It provides no legal grounds for permitting inequality to exist. Likewise, the state has the power to remake the funding system in any way it sees fit, retaining or modifying district authority in any given area of school policy or oversight. In other words, preserving local control (or even radically extending it, for example, to individual school site councils) does not in any way depend on retaining the link between school funding and local property taxes.

JEAN-CLAUDE LEJEUNE

To sever this link, however, will require a political, rather than strictly legal, strategy to overturn several obstacles. One of these is the fact that, in many respects, the existing system of funding education through local property taxes serves the agenda of the budget cutters and conservative forces who currently dominate state and local government. When local communities must assume growing fiscal burdens for schools by more heavily taxing local residential and commercial property, it creates a strong budgetary pressure for austerity. When local school budgets are presented like sacrificial lambs to hard-pressed local taxpayers (who never get to vote on tax abatements for real estate developers or whether the Defense Department should build another aircraft carrier), the budget process for schools becomes driven not by what schools and children need, but by how to keep the tax rate flat. Add to this the fact that only a fraction of the local population generally has children in the schools, and that an even smaller fraction (about 15%) usually votes in budget referenda, and you have a system that works well to undercut, not sustain, quality education. Factor in the growing racial divide between those most likely to vote in local elections and the public school population, and you have a system that regularly keeps communities divided. The reliance on property tax funding for schools, then, works at one level to create inequality and at another as a vise to squeeze local budgets. For these reasons, there are many interests that want to retain it.

Nevertheless, there remains a growing effort fed by court orders, heavy local tax burdens, and the ongoing national debate about education reform to consider alternatives to local property taxes. One set of fiscal reforms is geared to "recapturing" or redistributing property tax revenues from richer districts to poorer ones. Another seeks to replace property taxes with other taxes, usually sales taxes, and have the state assume a larger fraction of overall school spending. Still another set of proposals involves redefining state aid formulas so that fewer funds go to districts as "flat grants" regardless of need or local wealth and more go through "foundation formulas" which guarantee a base level of funding for each student and are calculated in ways that promote greater equalization.

The problem is that no particular financial mechanism, in itself, guarantees either equity or quality in education. It's true that relying on some taxes, like property and sales taxes, tends to be regressive, while progressive income taxes are a more fair way to raise revenues. But choosing a particular funding mechanism does not assure that adequate funds will be available.

In fact, one danger in the move to reform existing funding systems is that new ones will be adopted which will still deliver inadequate or inequitable levels of education. New formulas promising better, more secure funding have been adopted only to be cut or modified once the costs became clear. This has happened in New Jersey, Michigan, Kentucky, New York, and elsewhere. If the underlying motivation is a desire to cut property taxes or hold down educational spending rather than to promote quality and equity, it may not matter what fiscal mechanism is chosen to do the job.

Another response to court challenges has been a trend for states to try to define what a "thorough" or "adequate" education means and then peg funding formulas to the cost of providing those components. Here again, the budget-cutters often collide with the equity advocates.

FUNDING AND STANDARDS

New Jersey provides a good example. The state has been under court order to remedy funding inequities for over two decades. The 1990 *Abbott v. Burke* decision, in particular, was eloquent about the broad implications of making good on the state constitution's promise of a "thorough and efficient" education for all children. "The fact is that a large part of our society is disintegrating," the court declared, "so large a part that it cannot help but affect the rest. Everyone's future is at stake, and not just the poors'." The decision ordered the state to raise the spending level of the poorest districts to the average level of the richest. And, citing deeper social problems and years of deprivation, the court directed the state to

compensate by additional spending in poor districts above and beyond parity for regular educational programs. "They need more, and the law entitles them to more. ..." According to the Education Law Center, *Abbott v. Burke* was "the first decision in the 20-year history of school finance reform to establish an equality standard for the allocation of education resources to poor urban children."

In response, the legislature initially passed the Quality Education Act (QEA) to fund an ambitious program of increased educational spending that would pump over $1 billion into the state's poorest urban school districts. The QEA was part of a broader legislative package which promised eventual property tax relief in exchange for moderately progressive income tax hikes and higher regressive sales taxes.

ANTI-TAX PROTEST

But a storm of anti-tax protest succeeded in crippling the program before it got off the ground. A third of the money earmarked for the poorest districts was diverted to property tax relief before the ink was dry. Jim Florio, the Democratic governor who had sponsored the measure, was swept from office by Christine Whitman as the Republicans also captured both houses of the state legislature. They immediately repealed part of Florio's tax hikes and scrapped the QEA. Several Republican legislators even began an unsuccessful effort to change the state constitution—seeking repeal of the bothersome "thorough and efficient" education clause that has been the basis of the state Supreme Court's school finance rulings.

In the wake of the QEA's demise, Governor Whitman's strategy has been to cut and cap school spending to help finance a 30% cut in the state income tax. While the wealthy reap big bucks from these cuts, the average taxpayer gets small change. And when local communities, reeling under rising costs and declining state and federal funds, find themselves forced to respond by raising property taxes to maintain services even at reduced levels, Whitman's response is that it's "purely a local decision," not a consequence of her own fiscal policies.

To avoid the costs of complying with the court order, the Whitman administration began an effort to redefine equity in "educational" rather than dollar terms and then to tie a new funding formula to the costs needed to make such an education available.

On the surface, it is perfectly reasonable, even necessary, to define the goals and components of a quality education as a basis for any funding plan. But in this case the objective was clearly to define a level of educational services that would cost less than the Abbott decision's equity decree. By defining equity as dollar equivalency in per-pupil spending, plus additional spending to compensate for greater problems, the New Jersey court had defined educational equality at the highest levels of spending. (Elsewhere courts have defined equity in more vague terms of rough "parity" or even within a range of 80% of equivalency in per-pupil spending.) In a state which already had the highest average per-pupil expenditure in the country, the costs of such reforms would be considerable.

Avoiding these costs was one of the main motives of the Whitman administration's effort to define "equity." This was made plain in the New Jersey Department of Education's initial draft proposal which stated openly that the goal was to define a "thorough and efficient education" that could be provided "with an amount of money that is less than the average current per-pupil expenditure of New Jersey's wealthiest districts." Given this foregone conclusion, the development of a new spending formula became a cynical exercise in narrowly defining the state's educational responsibilities to fit the governor's restricted funding targets and in escaping the broader implications of the court decisions.

The Department of Education spent a year defining core curriculum standards and plans for more standardized testing. They then announced an arbitrary average figure of $7,200 per student as the cost of providing this core curriculum to all students, though they never explained the basis for their calculations. When more than half the districts in the state screamed that they were already spending more than that to maintain existing programs, let alone meet the new standards, the new funding formula was revised to "grandfather in" existing levels of spending and with it, existing inequality. Three weeks after the new formula was passed, the Education Law Center was back in court, hoping that the Supreme Court would put a halt to the governor's end run around its previous rulings.

Similarly, in Kentucky, where the state Supreme Court probably went farther than any other in ordering comprehensive reform that would touch every school and every aspect of the educational system, the legislative response was problematic. The Kentucky Education Reform Act significantly raised state funding, substantially increased the number of classroom teachers and their salaries, and promoted reforms in curriculum, assessment, and school governance. But as soon as the act was passed, limitations and shortfalls were apparent. One major component was cut 50% when more schools than anticipated sought promised funds. Plans to provide computers and extended school services were scaled back. Though improved, levels of spending even in Kentucky's richest districts are still below national averages, and a reluctance to insist on equalization across the board has allowed some disparities between districts to continue or even increase.

QUOTABLE QUOTES

We do not lack for resources. Nor do we lack the technical answers to the challenge of teaching and learning in urban schools. What is missing is the courage, the will, and the leadership to bring resources and expertise together to solve the problem. ... In the end there is no alternative. As the dawn of a new century approaches, we must find a way to educate each and every one of the neediest of our children.

***Wiping Out Disadvantages*, by the Education Law Center.**

These experiences are typical, and they reflect some of the underlying limitations of a state-by-state process which, even where successful, usually produces, at best, a court call for greater equity that is then turned over to a state government dominated by politicians unrepresentative of the urban and rural poor who are on the short end of the school spending yardstick. While important progress has been made in narrowing some educational inequities and raising key issues, more substantial progress may depend on finding new strategies to promote funding equity.

'DIALOGIC REMEDY'

The Campaign for Fiscal Equity (CFE), a legal advocacy group representing community school boards, parents, and education groups in New York, proposes what it calls a "dialogic remedy." Based on a study of funding reform in 10 states, CFE concluded that a successful challenge to inequitable school funding systems needs to include "an extensive effort to develop a comprehensive remedial strategy" before going to court. The failure of equity advocates to "establish clear goals and priorities" and propose "workable mechanisms to implement those goals and priorities," CFE argues, discourages courts from intervening and leaves room for legislative deal-making which undermines equity goals.

To complement any legal strategy, CFE proposes a public coalition-building process, that could generate both broad political support for, and the concrete outlines of, an equitable solution: "Because the standard legislative process cannot provide the balanced compromises that are necessary to devise substantive solutions in this complex, politically-charged area, what is needed now is a new 'dialogic process' characterized by broad-based participation and informed, principled interchanges... [that] can lead to agreement on the fiscal, educational, and underlying value issues involved in equity reform."

CFE recognizes that the various positions that "must be reconciled often reflect deep ideological, class, racial, or ethnic interests." But it contends that the "ideal of education" and "concern for the welfare of the nation's children" provide a basis for achieving some level of consensus. It cites a number of education reform processes and commission studies which drew together disparate community, professional, and business interests to produce progressive reform plans. What's needed, CFE argues, is to build on these experiences "but to overcome their limitations by expanding the deliberative process to include active participation by a much larger range of individuals and groups from all affected interests, including those strongly opposed to reform....The hard value conflicts involved in fiscal equity issues are not intractable. Some combination of better use of available resources, increased funding, and qualitative educational reforms that improve the level of learning for all students can provide a solution. If a principled solution with broad public support is achieved...its main features can then be incorporated into a court decree and its details fully enacted into law by the Legislature."

There is ample reason to have doubts about the level of consensus that can be achieved between the "budget-cutters" and the "equity advocates." But there is still much about CFE's strategy that makes sense. Funding equity will not be won by narrow legal or legislative lobbying strategies. Aggressive public organizing that clarifies issues and debates proposed solutions is critical to building the coalitions and political pressure needed to force action. Even where it suffers setbacks, a strategy of public coalition building is more likely to promote grassroots activism and coalesce a progressive constituency for school change on funding and other issues.

MASSIVE INVESTMENT

At the same time, over the long term, it will be necessary to open up other fronts in the campaign for funding equity that reach beyond state borders. To really make good on promises of educational equity and excellence will take tens of billions of dollars over many years, the kinds of sums that have been poured into the military in recent decades. Several years ago, the Committee for Education Funding, an umbrella group of education lobbies, documented a need for $25 billion in construction and renovation of K-12 facilities alone (and such capital costs, while far greater in poorer areas, are often not even included in the per-pupil expenditures that are generally the focus of equalizing efforts). Only a national effort can generate that kind of funds.

Yet the U.S. continues to trail other industrial societies in educational investment. A 1996 report from the Organization for Economic Cooperation and Development, showed the U.S. was ranked sixth in the percentage of Gross National Product spent on education, and also sixth in the percentage of all public spending that went to schools, trailing Korea and Mexico among others. In the 1980s, federal funds for local schools dropped to their lowest levels since World War II, and have risen only slightly since.

Moreover, the willingness of the federal government to support national commitments to equality growing out of civil rights-era legislation has been waning. Increasingly federal courts are ruling that the existence of "separate and unequal" educational programs, in themselves, is not illegal, unless conscious, deliberate "intent to discriminate" can be proved. Combined with persistent inequalities in school finance, this legal doctrine nourishes the existence of a dual school system, in which students of color systematically attend schools with less funding in segregated settings. This is prompting some legal experts to consider a new equity challenge in the federal courts.

"Of all developed countries, only two systematically have spent less money educating poor children than wealthy children," notes Paul Tractenberg, a founder of New Jersey's Education Law Center and counsel in the state's chief funding suits. "One was South Africa under apartheid, the other is the United States." Tractenberg argues that racial segregation coupled with systematic funding inequities amounts to a degree of inequality that wouldn't even satisfy the standards of *Plessy v. Ferguson*, the historic 1896 Supreme Court decision that set a standard of "separate but equal" until the 1954 *Brown* decision mandated school integration. "In the federal courts," argues Tractenberg, "now it's clear that de facto segregation alone doesn't violate the federal constitution. And it's clear that unequal funding by itself is not a federal constitutional violation. But if you put the two together, aren't you creating a situation which wouldn't have even satisfied the standards of *Plessy*

against Fergusson? So how could it satisfy a body of contemporary law that is presumably more demanding in these terms than *Plessy* was? The question is whether the federal courts might be made to view this issue differently than they did in the past."

New legal pressure on the courts to make the federal government give tangible substance to promises of equality through greater investment in schools could eventually open up the federal treasury to equity advocates. But like state legal strategies, such success would also likely depend on broader public campaigns to reorder the nation's social priorities. That, after all, is what equity in school funding is ultimately all about. ■

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1 Paul Tractenberg, interview, March 1995. See also "Fiscal Equity in Education," report prepared by Campaign for Fiscal Equity, Inc., New York, NY 1995, p. 1. (see Resources, page 58).

2 See Jonathan Kozal, *Savage Inequalities*, (Crown, 1991) pp. 220-222. Also CFC report, pp. A6 - A15.

3 *Information Please Almanac*, 1995, p. 863. See also "Financing Our Schools," National Education Association Research Division, 1990.

Savage Inequalities State by State

Listed below are the highest- and lowest-spending public school districts in each state, based on current expenditure per pupil in the 1992-93 school year. The districts serve a mix of K-12 grade levels. Education officials warn against comparing spending between states, since comparisons do not take into account cost of living and other economic differences.

ALABAMA	
Mountain Brook City	$5,036
Roanoke City	$2,776
ALASKA	
Aleutian	$32,217
Anchorage	$6,170
ARIZONA	
Mobile #86	$18,313
Bullhead City #15	$2,947
ARKANSAS	
Witts Springs	$7,045
Dardanelle	$2,962
CALIFORNIA	
Indian Springs Elementary	$16,343
Pacific Union Elementary	$2,713
COLORADO	
Lone Star #101	$8,667
Lewis-Palmer #38	$3,757
CONNECTICUT	
Regional HS District #01	$11,418
Chester School District	$5,680
DELAWARE	
Kent County Voc/Tech	$11,592
Appoquinimink	$4,999
DISTRICT OF COLUMBIA D.C.	
Public Schools	$8,690
FLORIDA	
Washington County	$6,690
Seminole County	$3,974
GEORGIA	
Atlanta City	$6,498
Jones County	$3,236
HAWAII	
Hawaii Dept. of Ed.	$5,332
IDAHO	
Avery #394	$10,000
Preston Joint School Dist. #201	$2,805
ILLINOIS	
Community Consolidated #211	$16,700
Aviston #21	$2,276
INDIANA	
Gibson-Pike-Warrick Coop	$8,482
Beech Grove City	$2,759
IOWA	
Lost Nation Community	$10,416
Colo-Nesco Community	$3,131
KANSAS	
Nes Tre La Go	$10,013
Mulvane	$3,173
KENTUCKY	
Owsley County	$5,856
Meade County	$3,374
LOUISIANA	
Cameron Parish	$6,012
Livingston Parish	$3,001
MAINE	
Mohegan PLT	$14,750
Otis	$2,558
MARYLAND	
Montgomery County	$7,484
Caroline County	$5,101
MASSACHUSETTS	
Norfolk County Agricultural	$16,179
Groveland	$3,224
MICHIGAN	
Bois Blanc TWP	$15,750
Bloomfield Township 7F	$1,941
MINNESOTA	
Nett Lake	$12,353
Sacred Heart	$2,740
MISSISSIPPI	
Calhoun County	$5,376
Itawamba Jr. College & AHS	$1,992
MISSOURI	
Clayton	$8,521
Republic R-III	$2,469
MONTANA	
Ross Elementary	$25,000
Smith Valley Elementary	$2,276
NEBRASKA	
Lewellen Rural H.S.	$14,686
Whiteclay	$1,769
NEVADA	
Eureka County	$11,546
Washoe County	$4,137
NEW HAMPSHIRE	
Nelson	$12,308
Franklin	$3,535
NEW JERSEY	
Union County Regional	$18,116
Prospect Park Borough	$5,144
NEW MEXICO	
Quemado Independent	$6,774
Hobbs Municipal	$3,196
NEW YORK	
Greenburgh Eleven	$38,572
Allegany	$5,423
NORTH CAROLINA	
Asheville	$6,118
Onslow County	$3,610
NORTH DAKOTA	
Twin Buttes #37	$18,957
Salund #10	$2,571
OHIO	
Butler County	$14,331
Fayetteville Perry	$3,187
OKLAHOMA	
Frontier	$9,222
Stroud	$2,614
OREGON	
Pistol River	$14,769
Central Howell	$2,986
PENNSYLVANIA	
Bucks County	$16,984
Luzerne	$3,867
RHODE ISLAND	
New Shoreham	$10,944
Smithfield	$5,269
SOUTH CAROLINA	
Spartanburg	$5,495
Orangeburg	$3,569
SOUTH DAKOTA	
Wood 47-2	$10,278
Yankton 63-3	$3,272
TENNESSEE	
Oak Ridge City	$5,142
Tipton County	$2,469
TEXAS	
Laureles	$42,000
Harts Bluff	$3,098
UTAH	
Daggett	$7,482
Washington	$2,636
VERMONT	
Addison Northeast	$16,127
Richmond	$3,182
VIRGINIA	
Falls Church City	$8,533
Halifax County	$2,897
WASHINGTON	
Benge	$36,200
Ridgefield	$3,780
WEST VIRGINIA	
Pleasants County	$ 6,571
Hardy County	$4,060
WISCONSIN	
Paris J1	$10,308
Washington-Caldwell	$3,871
WYOMING	
Fremont County #09	$17,558
Park County #06	$4,482

Source: Common Core of Data, School Years 1988-89 through 1993-94, National Center for Education Statistics.
The 1992-93 school year is the latest for which complete fiscal information is available.

Savage Inequalities, 1997

An interview with Jonathan Kozol

Six years ago you wrote *Savage Inequalities*, which focused national attention on the problem of unequal funding of schools. What has changed since then?

Not much. In Texas, for example, which was one of the areas I looked at most closely, there's been virtually no improvement. I think there may have been some progress if Ann Richards had survived as governor, but her defeat ended any hope of serious reform.

One of the things that saddens me most is that the press, which gave a good deal of attention to this issue around the time *Savage Inequalities* was published, seems to have forgotten the issue almost as quickly. I get the sense that the press is bored with "equity" in general, along with racial segregation. Therefore, it tends to focus on mechanistic solutions — various types of restructuring, downsizing this and upsizing that, centralizing this and decentralizing that. There's an enormous faith in slogans.

It's quite extraordinary that even now, after all these years, I can still arrive at schools and hear a principal or superintendent tell me, "We're turning it all around." A terrible expression, as though the school were on a platform and we were hydraulics engineers. The poverty of jargon that surrounds educational reform is astonishing. It's a testament to the poverty of thought in education in the United States.

A truly decentralized school with a lot of parent power and a lot of teacher power is obviously my cup of tea. That's the school I'd love to teach in. But, at nearly the age of 60, I find it impossible to cheer too hard for a decentralized, separate, and unequal school. Or a separate and unequal school with more choices for the segregated children and their parents. It's heartbreaking that this is what we have to settle for. It would be great to be able to pursue these laudable goals within a setting of basic justice.

I do not mean to be scornful of teachers or administrators, and I view many of these people as genuine heroes. But when they leave out the entire historic agenda of ending apartheid education in America, they are making a bitter virtue of a bleak necessity. And by "apartheid" I don't mean just separate. I mean separate and unequal.

The perspective we sometimes hear is, "Sure, things are separate and unequal, but the public's not going to raise taxes and come up with more money, so you need to learn to make do with what we've got."

I agree. I'm a pragmatist. And if I were a school administrator or a teacher activist, I would say, "O.K., with what we've got, what can we do?" And I would fight hard to achieve the kinds of victories that very good people are fighting for. But I would always hope that we could keep alive a larger, long-range political agenda and not pretend that what we can't do is therefore something we don't want to do. That last part is most important, because there are many people who, recognizing the fiscal and racial realities in America, are now speaking as if those don't even matter. It is a challenge to operate on two levels: to be practical and try to make decent changes within the terms of what can be done, but also to keep a larger moral agenda.

Money and race are at the heart of the school problem in the cities of America.

The very word "public" has a negative connotation these days. How does one counter that negative image in a way that one can defend public schools but not defend the status quo?

We've got to be blunt about the problems in a public system and be harsh critics of those problems. We don't want to be in the position of knee-jerk defenders of the public schools against "the bad guys."

But we have to be careful not to succumb to this nonsense that a public system is inherently flawed and that therefore we have to turn to the market place for solutions. I've never in my entire life seen any evidence that the competitive free market, unrestricted, without a strong counterpoise within the public sector, will ever dispense decent medical care, sanitation, transportation, or education to poor people. It's as simple as that.

I think it's time for us to begin to look back at some of our roots as Americans. It's absolutely crucial to claim the high moral ground on this issue and make it clear that the right-wing voucher advocates are subverting a strong American tradition. In this respect, we are the defenders of American ideals.

Let me state it differently. The complaints about the apparent malfunction of the public system are linked, in my belief, to the peculiar problems of impoverished, often virtually colonized, urban school systems. I mean "colonized" in the sense that very little power actually exists within the system, least of all the most important power which is finance, for which they're dependent on outside forces. And those outside forces are the people who set tax rates, the state government, the federal government, and the people who shape economic policy in America. I don't think the problems in urban public schools are inherently those of public education. I see hundreds of fine suburban school systems all around the country where nobody ever raises any question about the dangers of monopoly, because these are well-funded, reasonably attractive school systems.

I think it's important to recognize that this issue of monopoly never came up until people realized the incredible problems of our segregated, impoverished, colonized inner-city systems and needed to find a scapegoat other than segregation and colonization. The issue to me is not that these are public institutions. The issue is that these city schools are basically powerless. The superintendent is usually the viceroy representing

other interests to which the superintendent has to be deferential, usually at great emotional cost.

My own faith leads me to defend the genuinely ethical purposes of public education as a terrific American tradition, and to point to what it's done at its best — not simply for the very rich, but for the average American citizen. We need to place the voucher advocates, the enemies of public schools, where they belong: in the position of those who are subverting something decent in America.

What about the conservative argument that all progressives want to do is throw money at the problem?

I don't think we should flinch on that. When a wealthy conservative says to me, "All you folks want is more money," I say, "You're absolutely right and we're going to start with your money. And if you're really rich, we can take a lot of it." They say, "Are you talking about some kind of redistributive justice in this country?" And I say, "Absolutely. That's the whole idea of public schools."

We shouldn't always be fighting a defensive battle on this issue. Let's tell the conservatives, "You know, looking at your experience, it seems like you think you can buy a better car with more money, a better house with more money, a better holiday with more money, a better doctor with more money, a better psychiatrist for your children with more money, and you're paying $40,000 to send two kids to Andover or Exeter. So why not more money for public schools?"

What about the role of the federal government? Everyone seems to be infatuated with "devolution" from the feds to the states to the locals. Responsibilities are going downward, but not a lot of demands are going upward.

I think we have to remind each other that the slogan "devolution" or "decentralization" is really part of a continuum. First you diminish the federal role, then you diminish the state role, then you diminish the city role, until finally you have little, self-governing enclaves of privilege and destitution. That brings us right back to the South in the worst days of the 1930s. We have to remind people of that.

MIKE LUCKOVICH/COPLEY NEWS SERVICE

If you had to essentialize your perfect political agenda to get rid of separate and unequal schools, what would it be?

Massive political demonstrations by parents and children and teachers from the poorest urban schools, marching to the wealthiest suburban schools. Ideally, there would be a return march doubled in number, with lots of good kids from the suburban schools. Then the two marches might head toward the state legislature or stop at the governor's mansion or perhaps go to some of the major financial powers in the city. I grew up in an age when we didn't feel that we were going to win many victories through testifying at legislative hearings unless there were a lot of people in the streets behind us.

I think a great resurgence of a passionate, non-violent protest movement would probably accomplish more than a thousand national conferences on restructuring.

All of this sounds nice in theory. But in the political real world, isn't that 1960s approach dead?

Yeah, but you've also got to change the political real world. It isn't like weather conditions; it's not determined by God. It's determined by other people who are often no smarter than we but sometimes richer. It's determined by a couple hundred owners of radio stations and newspapers who have chosen to advance a certain set of anti-government views along with a great deal of contempt for children of immigrant families, children of Black and Hispanic-American families; owners who have chosen to satirize the notion that money matters when in fact they're exploiting it so well to advance their own agenda. The next time you hear somebody say on the radio that money doesn't matter, ask them how much money it cost them to buy that radio station.

We have to become creatively and politely and peacefully far more irreverent and aggressive in fighting these issues. We certainly can't accept this bizarre idea that money and race and a great deal of racial hatred are not at the heart of the school problem in the cities of America. Because those are the ultimate issues. If we bypass all of this in the effort to be "realistic," we will be forfeiting the biggest struggle. We'll also be forfeiting any of the transcendent energy that comes from a great struggle. That's why a lot of education workshops seem so dull; they have everything except energy, joy, vision, and transcendence. That's a lot to be missing. ■

Jonathan Kozol is author of *Savage Inequalities*, *Death at an Early Age*, and *Amazing Grace*. He was interviewed by Barbara Miner of *Rethinking Schools*.

Funding Should Be Tied To a New Vision of Schooling

Brazilian educator Paulo Freire writes that teachers should attempt to "live part of their dreams within their educational space." Classrooms can be places of hope, where students and teachers gain glimpses of the kind of society we could live in and where students learn the academic and critical skills needed to make it a reality.

Adequate resources are a prerequisite to better schools. But we also need to link money to a reinvigorated vision of schooling. For classroom teachers, students, and parents, the question goes beyond test scores and attendance rates to a more fundamental issue: How can we transform classrooms into places where dreams and hopes can come true? Furthermore, we must ask: What are the district- and statewide policies needed to ensure such changes in the classroom?

THE COMMON SCHOOL

At a time when racial and class inequalities are growing in our country, we believe that any vision of schooling must be grounded in "the common school." Schools are about more than producing efficient workers or future winners of the Nobel Prize for science. They are the place in this society where children from a variety of backgrounds come together and, at least in theory, learn to talk, play, and work together. Schools are integral not only to preparing all children to be full participants in society, but also to be full participants in this country's ever-tenuous experiment in democracy. That this vision has yet to be fully realized does not mean it should be abandoned. We are aware that many powerful people extol the virtues of marketplace approaches to our schools' problems. We beg to differ. We support, and will fight for, a truly public system.

We'd like to propose the following interlocking components that together compose what we call a social justice classroom — a classroom that nurtures individual development in the context of social responsibilities. As we outlined in our special publication *Rethinking Our Classrooms*, we believe that curriculum and classroom practice must be:

A RETHINKING SCHOOLS PERSPECTIVE

• **Grounded in the lives of our students.** All good teaching begins with a respect for children, their innate curiosity, and their capacity to learn. Curriculum should be rooted in children's needs and experiences. Whether we're teaching science, mathematics, English, or social studies, ultimately the class has to be about our students' lives as well as about a particular subject. Students should probe the ways their lives connect to the broader society — and are often limited by that society.

Adequate resources are a prerequisite to better schools. But we also need to link money to a reinvigorated vision of schooling.

• **Critical.** The curriculum should equip students to "talk back" to the world. Students must learn to pose essential critical questions: Who makes decisions and who is left out? Who benefits and who suffers? Why is a given practice fair or unfair? What are its origins? What alternatives can we imagine? What is required to create change? Through critiques of advertising, cartoons, literature, legislative decisions, military interventions, job structures, newspapers, movies, agricultural practices, or school life, students should have opportunities to question social reality. Finally, student work must move outside the classroom walls, so that scholastic learning is linked to real world problems.

• **Committed to social justice.** In our earlier publication, *Rethinking Columbus*, we used the Discovery myth to demonstrate how children's literature and textbooks tend to value the lives of Great White Men over all others. Traditional materials invite children into Columbus's thoughts and dreams; he gets to speak, claim land, and re-name the ancient homelands of Native Americans, who appear to have no rights. Implicit in many traditional accounts of history is the notion that children should disregard the lives of women, working people, and especially people of color; they're led to view history and current events from the standpoint of the dominant groups. By contrast, a social justice curriculum must strive to include the lives of all those in our society, especially the marginalized and dominated. Explicitly multicultural and anti-racist, a social justice curriculum should engage children in a critique of the roots of inequality in curriculum, school structure, and the larger society — always asking: How are we involved? What can we do?

• **Participatory, experiential.** Traditional classrooms often leave little room for student involvement and initiative. In a "rethought" classroom, concepts need to be experienced first-hand, not just read about or heard about. Whether through projects, role plays, simulations, mock trials, or experiments, students need to be mentally, and often physically, active. Our classrooms also must provoke students to develop their democratic capacities: to question, to challenge, to make real decisions, to solve problems collectively.

• **Hopeful, joyful, kind, visionary.** The ways we organize classroom life should seek to make children feel significant and cared about — by the teacher and by each other. Unless students feel emotionally and physically safe, they won't share real thoughts and feelings. Discussions will be tinny and dishonest. We need to design activities where students learn to trust and care for each

other. Classroom life should, to the greatest extent possible, pre-figure the kind of democratic and just society we envision and thus contribute to building that society. Together students and teachers can create a "community of conscience."

• **Activist.** We want students to come to see themselves as truth-tellers and change-makers. If we ask children to critique the world but then fail to encourage them to act, our classrooms can degenerate into factories for cynicism. While it's not a teacher's role to direct students to particular organizations, it is a teacher's role to suggest that ideas should be acted upon and to offer students opportunities to do just that. Children can also draw inspiration from historical and contemporary efforts of people who struggled for justice. A critical curriculum should be a rainbow of resistance, reflecting the diversity of people from all cultures who acted — often at a great sacrifice — to make a difference. Students should be allowed to learn about and feel connected to this legacy of defiance.

• **Academically rigorous.** A social justice classroom equips children not only to change the world but also to maneuver in the one that exists. Far from devaluing the vital academic skills young people need, a critical and activist curriculum speaks directly to the deeply rooted alienation that currently discourages millions of students from acquiring those skills.

A social justice classroom offers more *to* students than do traditional classrooms and expects more *from* students. Critical teaching aims to inspire levels of academic performance far greater than those motivated or measured by grades and test scores. When children write for real audiences, read books and articles about issues that really matter, and discuss big ideas with compassion and intensity, "academics" starts to breathe. Yes, we must help students "pass the tests," (even as we help them analyze and critique the harmful impact of test-driven education). But only by systematically reconstructing classroom life do we have any hope of cracking the cynicism that lies so close to the heart of massive school failure and of raising academic expectations and performance for all our children.

• **Culturally sensitive.** Critical teaching requires that we admit we don't know it all. Each class presents new challenges to learn from our students and demands that we be good researchers and good listeners. These days, the demographic reality of schooling makes it likely that white teachers will enter classrooms filled with children of color. To best teach children who are different from themselves, teachers must understand that parents are important colleagues who can help them learn who their students really are. Teachers must also call upon culturally diverse co-workers and community resources for insights into the communities they seek to serve. What can be said about racial and cultural differences between teachers and students also holds true for class differences.

RICK REINHARD

BEYOND THE CLASSROOM

But as vital as it is to re-imagine and reorganize classroom practice, ultimately it's insufficient. Teachers who want to construct more equitable, more meaningful, and more lively educational experiences for children must also concern themselves with issues beyond the classroom walls. For example, if a school uses so-called ability grouping to sort students, then no matter how successful we are in our efforts to remake classroom life, many students will still absorb negative messages about their capacity to achieve. We need to confront tracking and standardized testing, the funding inequalities within and between school districts, and the frequent unwillingness of teacher unions to address issues of quality education. Rethinking our classrooms requires rethinking the role of teacher unions and inventing strategies so that teachers can make alliances with parents and community organizations who have an interest in equity.

There are many reasons to be discouraged about the future: districts continue to slash budgets across the country; violence in our schools shows no signs of abating; attempts to privatize the schools have not slowed; and the country's productive resources are still used to make zippier video games, smarter smart bombs, and fancier athletic shoes, rather than to create more valuable but less lucrative products like affordable housing and re-imagined schools.

There is a Zulu expression: "If the future doesn't come toward you, you have to go fetch it." We believe teachers, parents, and students are essential to building a movement to go fetch a better future: in our classrooms, in our schools, and in the larger society. There are lots of us out here. Let's make our voices heard. ■

JEAN-CLAUDE LEJEUNE

Race, Power, and Funding: An Historical Perspective

BY ROBERT LOWE

The development of public education in nineteenth century America marked a radical departure for government. For the first time, it created a social benefit available to all. Family resources and social standing theoretically became irrelevant to the enjoyment of an education meant to provide skills for pursuing economic opportunity and practicing democratic citizenship. Although public funding promised schools for everyone, in practice social origin and wealth have deeply influenced investment in education, with the greatest benefits going to the most privileged. Unequal resource allocations map patterns of power, with regional, class, gender, and racial dimensions. Nowhere have these power relations had more blatant, sustained, and well-documented consequences than on resources allotted to the education of African Americans.

Prior to the Civil War, no public funds were spent on the education of Blacks in the South. By the 1830s, in fact, most southern states had enacted laws that forbade the teaching of reading to people in bondage, though some 5% of slaves — often at considerable risk — managed to become literate by 1860. The denial of even the most rudimentary literacy skills helped forge a powerful connection between education and freedom. As historian James Anderson has noted, education for African Americans became "the contradiction of oppression."[1] Once free, the former slaves immediately went about creating schools with the most meager resources. "The freedmen's efforts to educate themselves and their children," wrote historian Eugene Genovese, "provide one of the most moving chapters in American social history ... Northern white support played an important role, but the extent to which blacks with few resources and little experience scraped to pay for schools and teachers stands out like a miracle."[2]

With the military occupation of the South in 1867 and the calling of state constitutional conventions that had significant Black representation, the opportunity arose to institutionalize publicly funded education. Influential throughout the region in this effort, Blacks had the greatest leverage in South Carolina where they composed both a majority of the constitutional convention and three of the five members of the committee of education. Throughout the South, white Republican alliances with African Americans resulted in constitutions that provided for publicly funded schools, where in many cases the states previously had taken no responsibility. Although the promise of the constitutional provisions outstripped practice, public education not only increasingly served Blacks, but also whites who generally had been denied free schools previously. W.E.B. Du Bois was the first scholar to recognize that "the first great mass movement for public education at the expense of the state, in

the South, came from Negroes."[5]

The provision of relatively equal but sparse funds for Black and white children tipped in favor of whites following the withdrawal of federal troops in 1877 and the restoration of white power in the South. In the North, local funding of schools prevailed. In contrast, the South relied heavily on state funding, whose chief beneficiaries were whites in black-belt counties. At the state level, funding was divided fairly between Blacks and whites enrolled in school in each county. Once the county received the funds, however, school officials diverted resources from Black children to whites. Thus, in the black belt, where whites composed a small minority of the population, they were able to significantly enrich their schools at the expense of African Americans. It was common, for instance, to provide unequal funding for Black teachers, who exclusively taught African-American children by late in the nineteenth century. Historian Louis Harlan, for example, found that "in five Virginia black counties in 1907-08, Negro children were 70% of the school population, but salaries of Negro teachers were less than one-third of the counties' total salary payments."[4] And in Georgia's predominantly Black counties, whites were able to maintain relatively good schools without relying on any local taxation.[5]

As long as Blacks had the vote and the Reconstruction constitutions were in force, there were limits to how unequally school funds were distributed. But beginning in the 1890s these limits dissolved. New constitutions were created and Blacks were disenfranchised. In addition, the U.S. Supreme Court in *Plessy v. Ferguson* (1896) articulated the separate but equal doctrine, and *Cumming v. School Board of Richmond County* (1899) made it clear that white southerners were free to define this doctrine in ways that advantaged their own schools.

Against this altered legal scaffolding, whites' increasing demand for education influenced the distribution of school funds. Following the Civil War, Blacks evidenced a much stronger desire for education than Southern whites. Yet the prospect of a higher literacy rate for Blacks posed a threat to the racial hierarchy. Starting in the 1880s, this was one factor that spurred whites' investment in public education and made attractive the appropriation of funds designated for Black schools. The establishment of literacy requirements for voting and philanthropy-inspired educational campaigns directed exclusively to whites provided further demand for education and further incentive to siphon funds from Black schools.

Given whites' hostility to the higher education of Blacks, discrimination in the provision of high schools was particularly glaring. In 1915, there were no public high schools for African Americans in 23 southern cities with populations of 20,000 or greater, including Atlanta, Charleston, Mobile, and New Orleans.[6] Elementary schools for African Americans, though far more common, could scarcely be called public. James Anderson has suggested that these schools — often purchased, built, and maintained by Blacks — were essentially private schools owned by the government: "To have their privately financed schools recognized and even partially supported by state and local authorities, black southerners had to deed to the state their contributions of money, land, and school equipment."[7]

Prior to the Civil War, no public funds were spent on the education of Blacks in the South. By the 1830s, in fact, most southern states forbade the teaching of reading to slaves.

Overall, the availability and quality of African-American schools did improve significantly during the first three decades of the twentieth century. The Rosenwald Fund, a private foundation which contributed substantially to building schools in the South, played an important role. But Rosenwald expenditures, as Anderson has shown, amounted to less than a largely impoverished Black population contributed in money, let alone uncompensated labor.[8]

Despite a Rosenwald-aided building campaign, which helped Black children reach parity in school enrollment with whites by 1940,[9] the gap in funding between Black and white schools widened through the early decades of the twentieth century. In South Carolina, for instance, where Black political influence after the Civil War offered the greatest promise for egalitarian public schools, inequality became particularly extreme. During 1929-30, per-pupil expenditures for white children were $52.89 and for Black children $5.20. Mississippi was nearly as unequal, with $31.33 spent per white child and $5.94 spent per Black child. For the entire South, the respective figures were $42.39 and $15.86.[10]

Funding disparities between the races in the South subsequently diminished.[11] In part this was due to the success of the NAACP in winning suits requiring the equalization of teachers' salaries between the races in the late 1930s and 1940s. More importantly, public officials provided additional funds for Black schools with the hope of preserving a Black labor force fleeing the South for northern industrial jobs. Finally, recognizing that African-American support of school desegregation was influenced by the desire to have the same resources for schools that whites enjoyed, the expenditure of greater funding for Black schools was meant to limit the Black demand for desegregation following *Brown v. Board of Education* in 1954.

In the North, however, a trend toward equalization was less clear. In general, the greater wealth of the North permitted much higher expenditures for the education of Black and white children than in the South. But there is evidence that the gap in funding grew larger as growing urban Black populations were increasingly segregated.[12] Moreover, the impact of the civil rights movement on educational equity was limited not only by local school officials' recalcitrance in the face of demands for desegregation in the early to mid-1960s, but also by the migration of both wealth and whites to suburbs. In 1950, cities had higher per-pupil expenditures in all but two of the twelve largest metropolitan areas. By 1964, suburbs outspent cities in seven of these metropolitan areas and significantly narrowed the gap in four others.[13] By the time the courts acted vigorously to implement desegregation in the late 1960s and early 1970s, whites had become a minority in many city school systems. In an irony of school desegregation policy,

holding on to whites often has outweighed concerns with racial justice. In particular, whites inordinately have benefited from magnet schools, which typically have received disproportionate shares of urban school revenues.

More broadly, whites have benefited from government policies that essentially created suburbs as preserves for the white race. For decades, the mortgage insurance program of the the Federal Housing Administration required segregated housing and exhibited a strong preference for serving suburbs over cities; restrictive covenants, designed primarily to exclude Blacks, were legally enforceable until the late 1940s; local zoning ordinances have kept out the poor generally; and federal funds for highway construction rather than for urban infrastructure made suburbs accessible and cities less atttractive.[14]

Although urban African Americans regularly have paid higher tax rates than wealthier suburbanites as part of their ongoing quest for quality education, the results have been manifestly unfair. Higher taxation in the cities has produced smaller revenues than lower taxes in the suburbs. Even Title I of the Elementary and Secondary Education Act, meant to provide enhanced resources to low-income students, has not leveled the playing field, let alone provided a surplus of money to those in the most need.

Over time, reliance on regressive property taxes has diminished as states have taken more responsibility for educational finance. While in most cases the states have guaranteed a minimum level of funding to all districts, significant disparities remain. In the 1980s, for instance, the ten highest-spending elementary school districts in Illinois, New York, Ohio, and Texas outspent the ten lowest-spending districts by more than two and one-half times.[15] Although these disparities are not technically race-based, African Americans, as well as Latinos and Native Americans, have been concentrated in lower-spending districts.

The inadequacy of state funding formulas to equalize educational expenditures generated a plethora of lawsuits at the state level once the Supreme Court in *San Antonio v. Rodriguez* (1973) ruled that state funding was not properly a federal matter. In recent years, the courts frequently have supported plaintiffs' suits to overturn state funding systems. This was the case in Texas, where district-level expenditures varied from a little over $2,000 per pupil to slightly over $19,000 in 1985-86.[16] Nonetheless, legislatures friendly to suburbanites, who strongly oppose equalization measures, for the most part have resisted implementing strongly redistributive policies.

The conservative mantra that money does not matter falls on deaf ears when the affluent see to the education of their own children. But their ears are likely to prick up when the education of other people's children becomes the topic of discussion. At the turn of the century, when southern governments brazenly gave whites a disproportionate share of school taxes, a South Carolina cotton grower was asked whether the school fund was distributed equitably. "I suppose it is," he responded. "The money does the most good in the white schools."[17] Variations on this perspective too frequently are on the lips of white people today. Perhaps the most prevalent one holds that the problem is not money but rather it is parents, since they don't care about education. It follows from this sentiment that African Americans are unworthy beneficiaries of white taxpayers' coerced largess. Such a justification of privilege ignores the perennial struggle of African Americans to attain an education that would contradict oppression, and it disregards the benefits whites have gained from Black efforts on behalf of free and universal schooling. ■

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Robert Lowe is an editor of *Rethinking Schools*.

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All Children Deserve the Best

Ninety years ago John Dewey wrote: "What the best and wisest parent wants for his own child, that must the community want for all its children. Any other ideal for our schools is narrow and unlovely; acted upon, it destroys our democracy." [1] Even if the destruction of our democracy were not threatened by the savage inequalities in our nation's schools, the destruction of individual lives and ideals is certain. [2]

How can well-off Americans tolerate such injustice? What arguments do they offer to excuse it?

One argument is that the poor are to blame for their own condition. According to this argument, one reason inner-city schools are so bad is that inner-city parents just don't care. They do not insist that their children learn, nor do they protest miserable conditions or insist on adequate services. Deep down, most people who talk this way know that there are many poor parents who do care about their children's education and that, when parents do not care, their negligence is not always attributable to moral failure. Poverty and humiliation exact a price in loss of energy and optimism.

To argue effectively, I think we should admit that some parents do not seem to care about their children's education. Recognizing this neglect (or apparent neglect), the community must act like Dewey's wisest and best parent. It must supply for all its children what that parent would want for his or her own. Seen this way, the community has a responsibility to provide safe, clean, and attractive facilities, sufficient space indoors and out, adequate supplies, and respectful attention to the needs and legitimate plans of students.

Although such amenities are often recommended as prerequisites for learning, I would not tie the argument to the narrow concerns of schooling. I would simply say that all children deserve decent living conditions, and because their school environments are under public control, it is up to the public to provide them. We can provide adequate facilities for all our children, and where parents cannot finance or effectively demand such facilities, the rest of us should insist on doing so.

We demand this not because "children can't learn" in horrid conditions, but because it really is savage to allow children to live in unsafe, unhygienic, and unattractive places. Well-to-do parents provide decent environments for all their children — bright and dull, ambitious and lazy, good and bad. Surely the community owes all its children a decent living environment for at least the school day. Schools are, as Dewey said long ago, places where children live, and democracies are modes of conjoint living. Surely a democracy is at great risk when many of its people must exist in places unfit for any healthy form of cooperative living.

Failure to provide decent conditions *right now* is selfish, disgusting, callous, and savage. We should be profoundly ashamed in the community of nations to treat so many of our children so badly.

We should be profoundly ashamed in the community of nations to treat so many of our children so badly.

Those of us who want to remove savage inequalities must stay away from what I call "the learning trap." Children should not have to prove their academic prowess in order to obtain resources routinely given to their better-off peers. The temptation to enter the debate at this level — the learning level — is strong. Many of us believe that children will learn more if they are provided more adequate resources. But we do not have to argue that learning will increase. We provide safe and attractive environments for our own children because we love and accept responsibility for them, not merely so that they can learn math and reading.

KATHY SLOANE

It is not that learning is unimportant. And I feel quite sure that children who are safe and stimulated will, in fact, learn a great deal. But learning as it is defined today in the context of schooling is a rigged game. It is designed to separate and point up differences. It has little to do with the interests or needs of children, and it has fallen almost entirely under the control of the testing industry. Thoughtful academics want to rehabilitate "learning" — to make it more relevant and responsive. But any effort along these lines produces a like effort from the testing industry. Test makers advertise authenticity and accuracy. In the present climate, people who care deeply for children cannot win in the learning game. We should stay out of it until the worst of savage inequalities are removed. ■

BY NEL NODDINGS

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This article is excerpted from an essay that appeared in Educational Theory, *Winter 1993.* *copyright 1993 Board of Trustees, University of Illinois.*

1. John Dewey, *The School and Society* (Chicago: University of Chicago Press, 1902), 3.
2. Jonathan Kozol, *Savage Inequalities* (New York: Crown, 1991).

Equal Opportunity and the Federal Role in Education

In the 1960s and early 1970s, the idea of equalizing educational opportunity provided the rationale for an extraordinary number of federal initiatives designed to improve education for those long neglected by the educational system. Few of these initiatives mandated fundamental changes. More than ever before, however, they focused national attention and resources on the educational needs of economically disadvantaged white and minority children, made better education for low-income children and children of color a major national priority, and expanded the authority of the federal government to intervene to secure such improvement. Measured against the long history of racism and inequality in American education and of resistance to federal involvement in education, this represented an unprecedented accomplishment.[1]

Many of the programs initiated during these years persist today. Over the last two decades, however, the liberal consensus that supported this expansion of federal policy-making in education has come under sharp attack from conservative politicians as well as from a number of other right-wing groups. Hostile to the idea of using the state to combat economic and educational disadvantage, these conservative critics argue that federal intervention in education — particularly federal programs like Title I/Chapter 1 of the Elementary and Secondary Education Act, bilingual education, and education for the handicapped — has had few beneficial results. In their view, these programs have cost too much, have done little to improve substantially the achievement of low-income and minority children, and have trapped teachers and administrators in a web of bureaucratic regulations that make it impossible for them to perform their essential educational and social functions. Instead of continuing to expand federal involvement in education, they contend, policy makers should reduce the rate of growth in expenditures for federal education programs, eliminate federal programs targeted at poor children and children of color, and, above all, return the control of education to states and local school systems.[2]

BY HARVEY KANTOR

Much of this conservative agenda remains unrealized. The Reagan administration succeeded in reducing federal expenditures on education, but failed in its efforts to consolidate the major categorical programs for low-income and other "special needs" students.

The liberal consensus of the 1960s that supported the expansion of federal policy-making in education has come under sharp attack from conservatives.

More recently, chastened by the popular reaction to their attempt to shut down the government, the conservative majority in the last Congress gave up on its efforts to slash federal support for compensatory education and for education for the handicapped.

Yet, despite these defeats, the conservative attack on federal equity policies has profoundly altered the trajectory of federal policy-making in education. Not only has it succeeded in reducing the rate of growth of expenditures for federal programs, but just as important, it has succeeded in shifting the terms of debate away from an emphasis on using the state to expand resources and equalize opportunity for low-income children and children of color. Today, many liberals and moderates agree with conservatives that the policies introduced in the 1960s and first half of the 1970s led to an overconcern with low-income and other marginalized students, that federal regulations made excessive bureaucratic demands on local schools that eroded the quality of education, and that there is little the federal government can do to equalize educational opportunity for the least advantaged or to alter the distributional patterns of American society.[3]

This skepticism about federal intervention in education is not entirely misplaced. As anyone familiar with the recent history of federal education policy knows, there are valid questions that need to be asked about how the federal government can best help equalize educational opportunities for those who have been denied them. But the conservative prescription does not provide many useful answers to these questions. On the contrary, though the conservative rhetoric about excessive federal spending and burdensome bureaucratic regulation has populist overtones and sounds appealing, cutting spending, reducing federal regulations, and simply returning the control of federal programs to state and local educational agencies will do nothing but erode the opportunities that economically disadvantaged white, African American, and Latino groups have struggled to win in the last 30 years.

THE CRITIQUE

The conservative critique of federal programs is based on four commonly held assumptions about federal involvement:

- That federal involvement since 1960 constitutes an unprecedented break with past practices;
- That federal spending on education for poor and minority children has been excessive;
- That federal regulations have mired schools in a morass of bureaucratic red tape;
- And that federal programs have produced little measurable improvement in educational achievement for "disadvantaged" children.

These assumptions vastly oversimplify the recent history of federal education policy, overstate the impact of federal spending and the burden of new regulations on local school districts, and misunderstand the shortcomings of federal programs.

KATHY SLOANE

BREAK WITH TRADITION?

Has federal intervention since 1960 undermined the tradition of state and local control? There is no question that federal intervention in elementary and secondary education was one of the most significant developments in the history of education in the 1960s. Prior to 1960, education was a relatively minor federal policy area, federal financial support for elementary and secondary education was minimal, and the federal role in state and local decision-making was modest. By contrast, since 1960, federal policy-making has intensified, federal funding has grown, and federal intervention in local decision-making has become more frequent. Taken together, all of this has expanded the federal government's authority to define the nation's educational priorities. Nevertheless, this has not marked as sharp a break with past practices as many suppose. Nor did it change substantially established channels of decision-making or reduce the operational independence of state and local education agencies to a significant degree. What did change was the purpose of federal intervention and the scope of the regulatory efforts to ensure these purposes were fulfilled.

To begin with, although education was not a very significant federal policy area prior to 1960, federal interest in education was hardly unprecedented. Nor was the idea of targeting federal programs for specific purposes. In the 18th and 19th centuries, the federal government nurtured the expansion of education through land grants and by managing the formation of state constitutions. In the 20th century, federal programs were designed to support vocational education, to help public schools assimilate Indian children, to provide "impacted aid" to school districts burdened by untaxed military installations, and to improve the quality and quantity of education in math, science, and foreign languages. These programs established a federal interest in education. Indeed, although efforts to win Congressional approval for general financial aid to local school systems had been thwarted repeatedly since the late 19th century, by the early 1960s, periodic assertions of a federal interest in state-building and national "manpower" problems had set a precedent for further federal intervention in education.[4]

The expansion of federal policy-making in the 1960s built on these earlier efforts. It would be wrong, however, to see these new initiatives simply as a continuation of past practices. Not only was the commitment to equity new. But in contrast to earlier federal efforts (such as improving the efficiency of the labor force or upgrading teacher training in math, science, and foreign languages) this commitment was not often part of the state or local agenda and was much less widely embraced by state and local educators. As a result, implementation of the new federal programs often encountered resistance from state and local officials and, in order to assure that federal money reached its intended recipients, often required much more extensive federal oversight of local practices than had earlier federal programs, which had required minimal federal direction and guidance.[5]

Carl Kaestle and Marshall Smith have observed that the scope of this oversight probably would have shocked educators and most of the public in 1950.[6] As Kaestle and Smith point out, however, despite this expansion of federal power, critics of federal intervention have greatly exaggerated the extent of federal influence that accompanied it. Since 1965, equal opportunity provided the rationale for federal initiatives (often reinforced by judicial decisions) in bilingual education, gender equity, and education for the handicapped, as well as for school desegregation and compensatory education. But states and localities have retained a great deal of flexibility in responding to these initiatives. Not only has school desegregation been difficult to implement because of local opposition and changing residential patterns, but sev-

eral studies have shown that despite the flow of requirements that accompanied federal programs such as Title I, bilingual education, and education for the handicapped, the federal government's capacity to control states and local school districts remained limited and that the implementation of these programs continued to be shaped by the ideology and structure of local control.[7]

A good part of the reason for this is that in contrast to most other western democracies, the United States has, as David Cohen has put it, a "remarkably fragmented system of governance." In most other industrialized nations, Cohen points out, the "relations between policy and practice are framed by systems of central power or by a small number of state or provincial governments." In the United States, however, "the centers of organization and power are widely dispersed and weakly linked." Consequently, the mobilization of federal authority in education occurred within what by world standards is an extraordinarily decentralized system of decision-making and did not reduce the autonomy of state and local education agencies. To the contrary, Cohen and others have argued that the growth of federal policy-making actually increased local responsibilities, since federal agencies were weak and had to rely on state and local authorities to design, implement, and operate the new federal programs.[8]

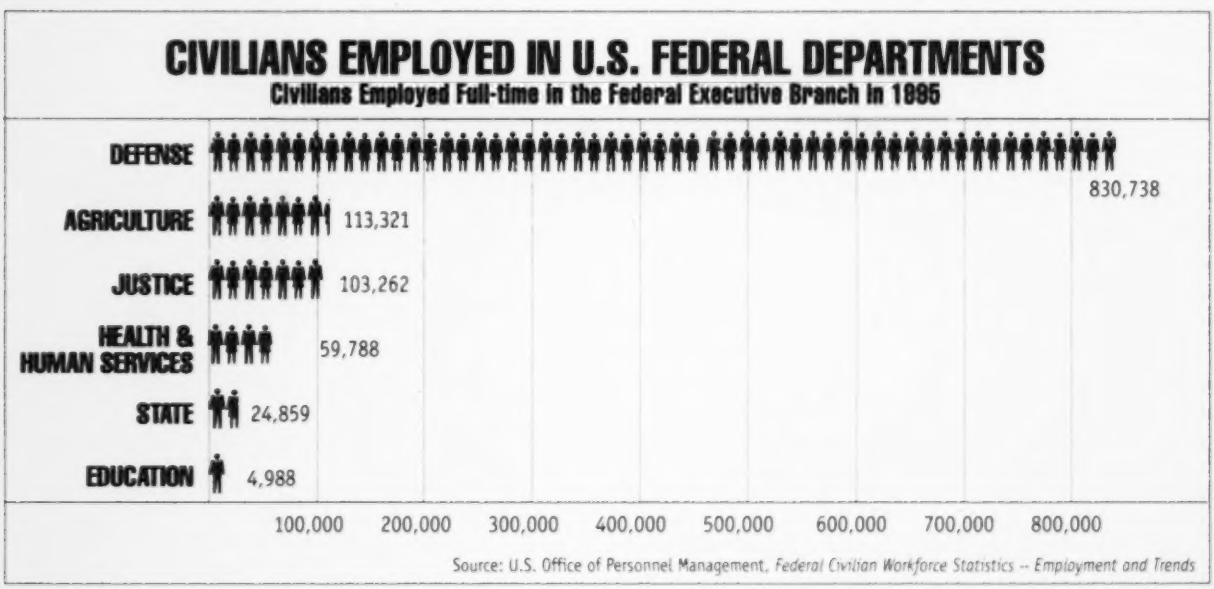
This does not mean, of course, that the outpouring of federal legislation in the 1960s and the regulatory efforts that accompanied them has had no effect on the system of educational governance. Since 1960, the federal government's authority to determine local priorities in certain areas of educational policy has increased. But there is little evidence that this has undermined state and local control or that it represents an unprecedented usurpation of local prerogatives in education. Despite the expansion of federal policy-making, states and local districts have retained considerable discretion in responding to federal policies, often at the expense of greater equity in the provision of educational services. Indeed, further analysis of the impact of federal spending and regulations on local education suggests that much of the variation in the quality of education available to different groups stems not from too much federal interference but from the federal government's inability to assert more direct control over state and local practices.

EXCESSIVE SPENDING?

Does the federal government spend too much on elementary and secondary education, especially on special programs for low-income children? In 1995, the Department of Education allocated slightly more than $15 billion for elementary and secondary education, over half for compensatory education, bilingual education, education for the handicapped, and other programs designed to equalize educational opportunity for low-income children and children of color. Compared to 1960, when the federal government spent less than $500 million on elementary and secondary education, this represents a dramatic increase.[9] But a closer look at the figures does not support the contention that federal spending has been excessive or that it has done much to produce a profound change in the political economy of school finance.

Although the dollar amounts sound impressive, federal spending on education has never amounted to more than 2.5% of total federal budget outlays, and the federal share of total expenditures for elementary and secondary education is actually less now than it was in 1980. In fact, despite the growth in federal policy-making since 1960, federal spending has never made up more than 10% of local school budgets, peaking at 9.8% in 1980. This decreased to 6.1% in 1989, following the Reagan reductions, and since then has risen only slightly. Contrary to popular perceptions, the biggest change in school finance over the last 30 years has not been the increase in federal expenditures but the shift of responsibility for financing education to state governments, whose share of total education expenditures rose from 39% in 1965 to 50% in 1990 before declining slightly today.[10]

In some states and localities, of course, the federal contribution accounts for a sig-



nificant part of the budget. In some poor, rural school districts, for example, federal funds for compensatory education and other programs often account for nearly 20% of total school expenditures. In states that do not have their own compensatory education programs, this provides for the bulk of additional services for low-income students. But in most school districts, total federal spending comes to no more than 5-10% of the budget. This is still a sizeable amount, especially in large school systems such as New York, Chicago, or Los Angeles. But in the majority of school districts federal monies constitute such a small share of total spending that the federal government does not have much financial leverage on local practices, even if it should exercise its power of withholding aid (which it often threatens to do but seldom does).[11]

Nor has the increase in federal aid been sufficient to offset the fiscal inequities that characterize the current system of public school finance. Title I/Chapter 1, by far the largest program of federal aid for low-income students, is only mildly redistributive, partly because it spreads funds to every state and to 90% of all school districts and partly because it has never been funded adequately.[12] In 1996, for example, federal expenditures for Title I/Chapter 1 were slightly more than $7 billion.[13] But several studies suggest that it would take nearly twice that much to equalize spending between rich and poor states. One RAND study by Iris Rotberg and James Harvey estimated, for example, that in 1993-94 it have would have taken at least $12 billion to bring per-pupil expenditures in all low-spending states up to the level in the median state and $35 billion to raise every state to the level of spending in Michigan, which spent more per pupil than three-quarters of the states.[14]

Conservatives typically argue that increasing spending by such amounts is not likely to be very worthwhile. To support their argument, they usually refer to the *Equality of Educational Opportunity Report* (1966), more commonly known as the Coleman Report, after its principle author, sociologist James Coleman. Recently, however, they have also relied on the research of Eric Hanushek, a University of Rochester economist, whose conclusions echo Coleman's.[15] In a series of widely cited articles published in the late 1980s and early 1990s, he analyzed a large number of studies that looked at the connection between school resources and student achievement (what economists of education call production functions). Based on this analysis, he concluded that even though there are large differences in teacher quality, there is little evidence that disparities in expenditures are consistently related to variations in educational outcomes, at least within the current organizational structure of schools. Consequently, he argues, school improvement policies should not be formulated on the basis of expenditures.[16]

JEAN-CLAUDE LEJEUNE

More fine-grained research that looks not at aggregate expenditures but at how money is spent in particular contexts disputes this claim.[17] Most notable is Ronald Ferguson's recent research linking teacher quality with student achievement and school expenditures with teacher quality. Still, Hanushek's argument is not totally unfounded. We all know some well-funded schools that do poorly and some less well-funded schools where students excel, though this hardly means that the level of funding is irrelevant or that attempts to increase funding would be wasteful. As Ferguson's research suggests, it means only that additional funds be well spent. Indeed, given what R.W. Connell calls the "educationally relevant inequalities of resources around schools," the issue is not that money makes no difference, only that to make a significant difference it must be spent on those administrative and classroom practices and processes that "translate school resources such as teachers and instructional materials into effective teaching and learning."[18]

BURDENSOME REGULATIONS?

Are federal regulations too burdensome? There is no question that as the number of federal programs has increased and new mandates have been passed, the regulatory responsibilities of the federal government have grown. The passage of the Elementary and Secondary Education Act of 1965, the Bilingual Education Act of 1968, and the Education for All Handicapped Children Act of 1975 have all entailed an increase in federal monitoring and oversight. In addition, the passage and enforcement of Title VI of the 1964 Civil Rights Act outlawing racial discrimination in federally assisted programs, Title IX of the 1972 Educational Amendments barring discrimination on the

continued on page 69

Where Has the Money Gone?

One of the most common complaints of public school critics is that it's useless to "throw money at the schools." More money won't help, they assert. It's just pouring good money after bad.

On the surface, their argument is appealing. In 1990, the U.S. spent $5,521 per pupil on public schools, more than double the $2,611 (in 1990 dollars) spent 25 years earlier.

But, as usual, there is more to the story than a few simple statistics. In fact, spending more hasn't failed. It hasn't been tried. The truth is that little new money has been invested in regular educational improvements since 1965. How has the money been used?

JEAN-CLAUDE LEJEUNE

Special Education. Nearly 30% of new education money has gone for "special education" of children with disabilities.* Since 1975, federal law has required public schools to provide "a free appropriate education" to each child, no matter how seriously handicapped. By 1990, nearly 12% of all schoolchildren were in special education. Schools must design an "individualized education program" for each child with a learning, emotional, or physical disability. Publicly financed medical diagnoses, special transportation arrangements, personalized instruction, tiny class sizes, specially trained teachers, and the purchase of special equipment may be required to place a child in the "least restrictive environment." Parents dissatisfied with an individualized program are entitled to a hearing. The Supreme Court has ruled that cost cannot be an excuse for failing to design an appropriate program. If a handicap is too severe for a public setting, schools must pay the child's private tuition. Education of the handicapped is worthwhile, but it is dishonest to suggest that special education funds should produce academic gains for regular students and, when they do not, claim proof that money spent on public schools is wasted.

Nutrition Programs. School breakfast and lunch programs have absorbed nearly 10% of increased costs. In 1965, nutrition programs were mostly self-supporting, selling milk and ice cream being their main function. Today 35% of all students get free or reduced price meals, costing over $6 billion a year. Providing meals to needy children should also improve academic achievement, since nutrition is necessary for learning. However, such an expectation assumes that children are better nourished as a result. If, on the other hand, school food subsidies only offset deterioration in children's health since 1965, expecting academic gains from this program would be unrealistic.

Fourteen percent of Americans lived in poverty in 1992, the highest rate since 1964. Growth of overall poverty masks more drastic growth in child poverty. In 1990, nearly 25% of American children under age six were poor, an increase from 18% in 1979. With a probable deterioration in the nutritional condition of children when they come to school, it is questionable whether educational improvement can be expected from today's breakfast and lunch programs. Nor is it appropriate to suggest that maintenance of such expenditures would, from an educational point of view, be throwing good money after bad.

Smaller Classes. Nearly one-third of new school money has gone for smaller classes. Pupil-teacher ratios have declined by about 30% since 1965 and average class size is now about 24, requiring more teachers and extra classrooms. It seems reasonable that this investment should produce academic gains. Yet while reducing class size to 24 creates better teacher working conditions and may be needed for discipline, it's not enough to improve academic outcomes as much as we would like. Unless class sizes get small enough (around 15) so that the method of teaching can change to individualized attention, smaller classes have no measurable academic effect.

Salary Increases. Teacher salaries have grown 21% — less than 1% a year — from an average of $27,221 in 1965 (1990 dollars) to $32,977 in 1990. This increase is responsible for another 8% of increased education costs. This added expenditure should result in improved student achievement if higher salaries attract more highly qualified graduates to teaching. But if other professional salaries grew more, higher teacher pay would not enable school districts to maintain teacher quality in the face of greater competition from other professions.

Since 1975, starting teacher pay increases have lagged behind pay increases of other beginning professionals with bachelors' degrees. Starting teacher salaries have grown by 149% since 1975, less than the rate of inflation. For beginning engineers, the in-

BY RICHARD ROTHSTEIN

crease was 153%; for marketing reps, 169%; for business administration grads, 171%; for mathematicians and statisticians, 163%; for economists and finance personnel, 161%; for liberal arts graduates, 183%. Teachers did better than chemists (144%) and accountants (130%).

Teacher salaries increased faster from 1965 to 1975 than after. But from 1965 to 1990, the overall increase in real teacher pay at best maintained schools' ability to attract candidates. If anything, the increase has been inadequate to maintain teaching's competitive standing, since more professions have welcomed women since 1975. Highly qualified female college graduates are no longer captives of the teaching profession, so the same relative teachers' pay now attracts less qualified teachers than before. All told, we can't expect teachers' pay gains since 1965 to produce higher student achievement; for this result, we would need bigger pay boosts to attract higher quality college graduates to teaching.

Transportation. Transportation has consumed 5% of increased costs. In 1965, 40% of public school students were bused at an average cost of $214 (1990 dollars). By 1989, 59% were bused, and the cost jumped to $390.

Fewer Dropouts. About 3% of new spending stems from keeping more students in school. The oft-repeated worry that more students are dropping out has no factual basis. Since a student dropping out of one school may move to a new community and enroll there, the most accurate measurement of dropouts is not schools' own records but census information on young adults who have completed 12 years of school.

In 1970, 75% of youths between ages 25 and 29 had completed high school. By 1990, 86% had done so. Minority dropout rates have steadily declined — in 1940, only 12% of 25-to-29-year-old Blacks had completed high school. In 1950, the Black completion rate rose to 24%; in 1960, to 39%; in 1970, to 58%; in 1980, to 77%. The rate continued to rise in the 1980s, to 83% in 1990.

Hispanic dropout rates are less accessible because the 1980 decennial census was the first with separate data on Hispanics and because many so-called Hispanic dropouts (young adults who have not completed high school) are immigrants, some of whom came to the U.S. too old to enroll in school. They shouldn't be considered "dropouts" — many never "dropped in." In 1990, only 58% of Hispanic 25-to-29-year-olds had completed high school. But for Hispanics in their forties (who were in their twenties in 1970), the rate was less — 52%. And for those in their sixties (in their twenties in 1950), the rate was only 38%. Thus, it seems, Hispanic dropout rates are declining as well.

Spending more hasn't failed. It hasn't been tried. The truth is that little new money has been invested in regular educational improvements since 1965.

If the typical dropout completes 10.5 years of school, then the higher completion rate has increased per pupil costs by 1.3% since 1965. This added spending does not improve graduates' average academic achievement. While preventing dropouts is important, lower dropout rates will also reduce average scores on tests such as the SAT. So, paradoxically, expenditures for more schooling can seem to reduce academic achievement while contributing to an improved education level for society.

In sum, special education, smaller classes, school lunches, better teacher pay, more buses, and fewer dropouts account for over 80% of new education money since 1965. That these produced few academic gains is no surprise. ■

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This article is adapted from a longer article that appeared in The American Prospect, *Spring 1993. For more information, contact* The American Prospect, *P.O. Box 383080, Cambridge, MA 02238; 800-872-0162; or visit* The American Prospect *website on the* Electronic Policy Network *at <http://epn.org>.*

* Note: This and the following data regarding the composition of school spending growth are estimates made by the author, based on an examination of one typical school district and other generally available national data. A more precise study of the subject, based on nine typical districts, was published by the author for the Economic Policy Institute in the fall of 1995. This full study, called "Where's the Money Gone? Changes in the Level and Composition of School Spending," is available from the Economic Policy Institute, 202-775-8810. The full study confirms the chief point of the earlier estimates: schools don't have nearly as much "new" money for regular education as critics claim, and we can't expect regular academic achievement gains to result from spending on worthwhile but nonetheless non-academic school projects.

QUOTABLE QUOTES

Admittedly, in some instances school officials in poor school districts may waste or misappropriate money. The same is true, however, in rich districts. Perhaps such abuses are not noticed as often in affluent areas because these districts have more resources to squander.

Even if it were true that proportionately more money is wasted in poorer areas, waste or mismanagement should be the real concern, rather than the misleading implication that money cannot make a difference to those starved for basic educational resources.

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A review of *Making Schools Work*

Does Money Make a Difference?

A Review of *Making Schools Work: Improving Performance and Controlling Costs*, by Eric A. Hanushek and others, The Brookings Institution, Washington, D.C., 1994; 195 pages.

Everyone has reform proposals for the public schools, and now it's the turn of the economics establishment. Under the auspices of the Brookings Institution, Eric Hanushek and a group of 12 other economists who study education have written a book that carries the banner of economic analysis into the struggle over school reform. The trouble is that *Making Schools Work: Improving Performance and Controlling Costs* is long on conservative ideology and short on economic analysis.

Making Schools Work is the product of a project financed by the Pew Charitable Trust. While the various authors contributed specialized background papers to the project, the book itself seems to represent a consensus. *Making Schools Work* does show signs of compromise, especially on the issue of "school choice," but it appears that the main principles and conclusions have been accepted by the entire group.

The central proposition of the book is that we should not seek to improve the public schools by spending any more money on them. Hanushek and his associates argue that the schools are highly inefficient, and therefore we can achieve great improvements simply by making them more efficient. The best means to make the schools more efficient, they assert, is a better set of incentives — some form of "merit pay" — to motivate and direct the work of educators.

I expect that the book will be widely cited to support the conservative fiscal agenda. Here, it will be claimed, is a book by a group of economists — including several with liberal reputations — who have applied the rigorous tools of their discipline to show that we should not spend more money on public schools. Yet for those who actually read the book, the facade of "rigor" will quickly fall away: The book's treatment of the relevant statistics is misleading, if not simply dishonest. Its conceptual foundations are seriously flawed. Its principal recommendations are superficial and pernicious, and their validity is asserted without empirical support. Moreover, at various places, the book even ignores important and useful research by some of the authors themselves.

BY ARTHUR MACEWAN

This failure to address issues of inequality — a failure common to the whole genre of conservative policy analysis — renders the policy prescriptions of Hanushek's book both superficial and pernicious.

The statistical basis for the central claim that the schools are inefficient seems simple enough: Expenditures per pupil have risen over the decades, while measures of pupil performance appear to have stagnated or declined. But there are problems. The book presents data in a way so as to exaggerate the spending increase and downplay improvements in pupil performance, and the uninitiated reader would not learn here that a considerable controversy exists over test score data.

MONEY MATTERS

Aside from the crude comparison of average expenditures and average test scores, the book's assertion that money doesn't matter in the schools relies heavily on research that Hanushek himself has published over the past decade. His work draws on numerous statistical studies of other researchers to conclude that there is no association in schools between variations in spending and variations in student performance. While a popular conclusion among fiscal conservatives, Hanushek's position is effectively discredited by a recent analysis published in the *Educational Researcher* (see box). The critique leads to the conclusion that, no, money isn't everything, but it does appear to make a difference. While the *Educational Researcher* study is mentioned in the references of *Making Schools Work*, Hanushek and his colleagues apparently felt this evidence was too inconvenient to warrant discussion.

The real problems in this effort to paint the schools as inefficient, however, do not lie in poor statistical work as much as in poor conceptual work. Efficiency can only be measured in terms of some goal. Hanushek and his colleagues impose the goal of cognitive accomplishment measured by test scores as the standard against which to appraise schools' efficiency. But people working in the schools do not see their goal in terms of this single variable. Along with trying to develop cognitive skills, schools are engaged in a complex job of socialization, ranging from preparing a docile work force in some cases to empowering creative citizens in others — to say nothing of such tasks as AIDS education. Perhaps the schools should focus solely on test-measured cognitive skills or perhaps the schools are inefficient in meeting their more complex set of real goals. But it is analytic nonsense to claim that one can show the schools are inefficient through the methods of Hanushek and his colleagues.

Furthermore, as Hanushek and his collaborators are aware, schools are only one part of a complex process by which people are educated. Families and society in general have major impacts, along with schools, on cognitive performance (as well as on other educational goals). Perhaps more money spent on the schools does not result in better performance because, while that spending is providing better schooling, bet-

ter schooling is only making up for changes outside the schools. This could well be the case in an era when, for example, inequality and poverty are increasing, violence among kids is on the rise, and more and more parents of young children are in the work force. Recognizing that these sorts of things are happening, we might use Hanushek's data to conclude that the schools are really doing a pretty good, cost-effective job.

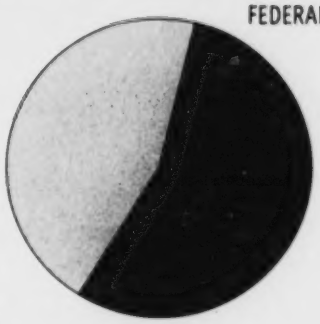
But wait a minute. While public school bashing has been a major strategy of conservative forces for years, this does not mean it is appropriate to respond with the claim that the schools are "pretty good." In fact, it is not appropriate to label "the schools" in aggregate with any such simplistic generalizations. Perhaps the most serious failing of this book is its treatment of "the schools" as a single aggregate, virtually ignoring economic inequality among the schools and in society at large. Insofar as there are serious problems in the public schools (and there certainly are), those problems are closely connected to economic disparities in our society. Many magnet schools and schools in wealthy suburbs have excellent programs and are doing very well, while many inner city schools and other schools in economically depressed communities are in deep trouble.

IGNORING INEQUALITY

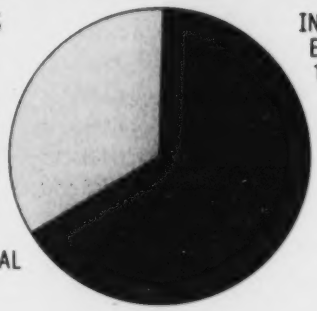
This failure to address issues of inequality — a failure common to the whole genre of conservative policy analysis — renders the policy prescriptions of this book both superficial and pernicious. Consider the overall message of the book: Don't spend more on the schools. Since very few good schools are lacking in funds, one cannot help but wonder if this argument is not simply designed to deny resources to the poorly funded and poorly performing schools. The economists who put this book together are well aware of the struggles to equalize school funding, but they do not see fit to discuss their central message in the context of those struggles.

Of course, some poorly performing schools are relatively well-funded, and — in spite of this book's disingenuous use of a straw man who would advocate reform through simply throwing money at the

WHERE SCHOOLS GET THEIR MONEY



WHERE THE MONEY GOES



CURRENT EXPENSES

The total of all costs associated with instruction and day-to-day operation of schools does not include school construction and major repairs; items lasting more than one year such as school buses, computers, furniture; land purchases; repayment of debt; programs outside the regular preschool-grade 12 scope such as adult education and community services.

SPENDING PER STUDENT: $5,325

From National Center for Educational Statistics, *Statistics in Brief*, June 1996

schools — I doubt anyone is saying that money alone will solve the problems. Yet if mainstream economics teaches anything, it is to be skeptical when someone promises a free lunch, or when someone claims that schools can be improved without cost.

In the absence of any serious discussion of inequality and poverty, the economists who prepared this book implicitly turn to the usual villain: teachers' unions and, in particular, the unions' resistance to merit pay. The trouble is, as a moment of reflection will establish, teachers' unions are present in good schools as well as bad. I know of no studies, and Hanushek and his collaborators do not discuss any, that show that student performance is better where there are no teachers' unions or that merit pay and student performance on exams are clearly correlated. Apparently Hanushek and his collaborators think that the appeal to time-worn aphorisms about the role of incentives in economic behavior is sufficient to make their case.

Ironically, research by some of the authors of this book tends to directly contradict their approach. For example, in his important book *What Do Unions Do*, Richard Freeman and his co-author argue that unions often effect higher levels of worker productivity, and they suggest several causal factors including the employment stability and better management practices that come with unionization. While that book does not deal with teachers' unions, some of the causal factors that explain the relationship between unions and high productivity in general must be relevant in the schools.

Then there is the work of Henry Levin, whose name is associated with many radical critiques of education. Levin's *Schooling and Work in the Democratic State*, co-authored with Martin Carnoy, provides a progressive framework on the economics of education, and one cannot read it (let alone write it!) without being aware of such issues as the importance of inequality in the schools and the complexity of what the schools are doing.

So why did people like Levin, Freeman, and Richard Murnane sign on to Hanushek's project? I suspect that they believe that with their leftist presence, the book's main message is surrounded by caveats that mute its conservative thrust. Perhaps they are correct. On some questions, such as the "school choice" controversy, the book does not advocate the most strident conservative position; and the attack on unions is, as I have indicated, largely by implication. Nonetheless, while the message of the book might have been even worse without the participation of some of its authors, I suspect its conservative political impact will be strengthened by their involvement.

DON'T BE FOOLED

Making Schools Work is one more example of the way that conservative forces have managed to dominate the contemporary policy agenda. But we should not be fooled by the funds given to support work of this sort and by the media attention it receives. Progressive forces are alive and active in the schools, and they are generating reform proposals that can be counterpoised to those of the economists who authored this book.

Knowing that almost nothing we could do within the schools would do as much good for education as reducing economic and social inequality and eliminating poverty, we can still identify progressive reforms for the school system itself. Smaller schools, or at least smaller administrative units in the schools, would be one positive step. Another would be building stronger ties between schools and communities. Students do not feel that they "own" large, anonymous schools that have no active ties to the community. When kids do not feel that the schools belong to them, they do not feel they belong in the schools. Progressive reforms cannot be implemented without money, however. In an era when most parents are employed outside the home, for example, ties between schools and communities must be nurtured, and that costs money.

Most directly in conflict with the approach of *Making Schools Work*, progressive educational reforms emphasize support for teachers. Teachers are probably not very different from most other people in most other jobs. Force them to operate within a system of punitive salary differentials that they perceive as unfair, and they will probably not operate very well. Give them the resources they need to do a good job, allow them considerable authority over how they do the job, and give them the social recognition that they deserve, and they will probably operate very well. ■

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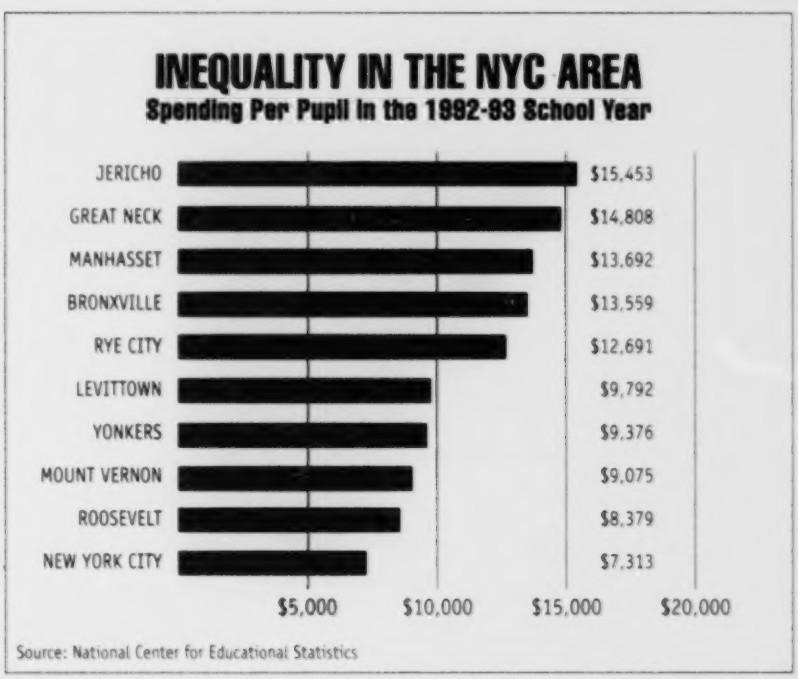


Issues in the Statistical Debate

It is not easy to demonstrate the connections between the "inputs" and "outputs" of the school system. Both inputs and outputs are difficult to define and measure, and the relationships between inputs and outputs are difficult to specify.

For example, one of the inputs to the schools is the children themselves, but "children" are not a standardized input. Unlike gallons of gasoline, computers, steel rods, or other raw materials, children vary as individuals, and they vary as social groups.

Or how about the output? Has a school produced a lot if its students show improvement on standardized tests? If its graduates earn more money than expected, given their socioeconomic background? If they become "well-adjusted" workers and citizens?

And the relationships: Does class size matter in the same way for students in a wealthy suburb as in a poverty-stricken inner city? Does spending more on new buildings make a difference when kids are coming to school hungry? Or, on the other hand, when they are coming to school with all the advantages of wealth and privilege?

To ask these questions is to suggest some of the reasons why different statistical studies of the schools produce different results. Over the last three decades, there have been numerous studies of the relationship between school resources — per-pupil spending, class size, expenditures on facilities, teacher salaries, teacher experience, etc. — and student achievement. The conclusions of these various studies seem, at least upon initial examination, to provide no clear and consistent answer to the question: Does higher per-pupil spending lead to greater educational attainment?

In influential articles published in the late 1980s, Eric Hanushek attempted to analyze and summarize the results of a large number of these statistical studies. He concluded that the results were so inconsistent that, taken as a whole, they led to the conclusion that "there is no strong or systematic relationship between school expenditures and student performance." This conclusion provides a basis for the central recommendation of *Making Schools Work* — i.e., that we should not seek to improve the schools by spending more money on them. But when relationships are complex and the results of studies vary, the overall conclusions that one draws are often ideologically driven.

In 1994, Larry Hedges, Richard Laine, and Rob Greenwald (cited here as H-L-G) published a re-examination of the data on which Hanushek based his conclusion. Using more appropriate and simply better statistical methods, they draw some very different conclusions from the seeming babel of the original studies: The studies, taken as a whole, suggest "strong support for at least some positive effects of resource inputs ... and that these effects (at least for PPE [per-pupil expenditure]) are large enough to be of real importance."

The work by H-L-G does not resolve all the issues nor does it overcome the inherent difficulties in analyzing the connections between school inputs and outputs. But it does undermine the notion that results obtained in the statistical studies of recent decades are so divergent as to give no support to the idea that money matters. Hanushek did attempt a refutation of the H-L-G article, but his argument is unconvincing. As is often the case when an ideologue finds that the statistical basis for his position has vanished, Hanushek falls back on the claim: "Most importantly, the policy interpretations do not depend really on the statistical issues." This from a man who has spent a good part of his career providing the statistical support for a particular policy position! Hanushek goes on in his response to make the rather absurd accusation that H-L-G are advocating that problems can be solved simply by "throwing money at the schools."

Nonetheless, as H-L-G point out in their reply to Hanushek's criticism, Hanushek implicitly admits that the data do indicate that money matters in some ways, and the real policy issue is to figure out how and where it matters. This is a far cry from the claims that provide the foundation for *Making Schools Work*. ■ — *Arthur MacEwan*

Articles in the debate

Eric Hanushek, "The Economics of Schooling: Production and Efficiency in Public Schools," JOURNAL OF ECONOMIC LITERATURE, September 24, 1986.

_____, "The Impact of Differential Expenditures on School Performance," EDUCATIONAL RESEARCHER, May 18, 1989.

_____, "Money Might Matter Somewhere: A Response to Hedges, Laine and Greenwald," EDUCATIONAL RESEARCHER, May 23, 1994.

Larry V. Hedges, Richard D. Laine, and Rob Greenwald, "Does Money Matter? A Meta-Analysis of Studies of the Effects of Differential School Inputs on Student Outcomes," EDUCATIONAL RESEARCHER, April 23, 1994.

_____, "Money Does Matter Somewhere: A Reply to Hanushek," EDUCATIONAL RESEARCHER, May 23, 1994.

Who Pays the Taxes?

When you mention the need for taxes to most people, they get angry or stop listening. Yet, it is impossible to look at school financing without discussing this volatile topic.

People want quality schools. Most people know it takes taxes to pay for those schools. Yet across the county, anti-tax sentiment is strangling the ability to provide the education that children need.

To understand that anti-tax sentiment, one must look at the broader economic context. The standard of living for the average taxpayer is stagnating or going down. Further, anger over this decline has been successfully aimed at those with the least power and influence in this country — those on welfare, the urban poor, recent immigrants, children in public schools, and the sick on Medicare. Generally, the average taxpayer is concerned that taxes seem to keep going up while the quality of life in this country seems to keep going down.

Anti-tax sentiment is strangling the ability to provide the education that all children deserve.

To grasp the roots of the anti-tax sentiment, two things must be considered. First, average real wages (wages corrected for inflation) are in a long-term stagnation and slow decline. Part of the reason people don't want to pay taxes is that they have less money to begin with. Second, those most able to pay taxes — profitable corporations and affluent individuals — have been increasingly effective in shifting the tax burdens onto others. The tax changes early in the Reagan administration, for instance, have resulted in the richest 20% paying $3,611 a year less on average and the poorest 20% paying $185 more on average, based on figures from the Economic Policy Institute in Washington, D.C. There has also been increasing reliance on state and local taxes, which hit the poor harder than the rich.

BY JIM WESTRICH

The tax burden is likely to shift even more in coming years. The Republican majority continues to propose a wide array of tax breaks for large corporations and wealthy individuals. President Clinton wants to give tax credits for children and high education and increase tax-free savings options, but the net impact would tend to help the upper middle class the most.

DECLINING WAGES

Wages are an important element in anti-tax sentiment. From 1977 to 1994, the average hourly wage in the private sector declined by 13%, according to the Bureau of Labaor Statistics (BLS). Further, the average weekly earnings for October 1996 are down 20.3% from their peak in July 1973. That means the average non-farm worker was making $523 a week in 1973 (in current dollars) and is now making $417.

The causes and solutions to real wage stagnation and decline are complex and a number of economic factors have helped employers keep wages down. These include the decline of unionization, the erosion of the value of the minimum wage, shifts in employment to low-paid service sectors, increasing globalization, increases in temporary and contract work, and the erosion of social safety nets.

Basically, the wage reflects the relative bargaining position of the employee. All the factors listed above result in dminished bargaining power. For example, increasing temporary and subcontracted work means that fewer firm-specific skills are developed by the employee and thus employees are easier to replace. Increased globalization means employers can set up shop anywhere in the world while workers and their families are tied to their local communities. The employers' threat of "take it or we're leaving" is increasingly effective. The erosion of unemployment benefits and family benefits means the cost of losing a job goes up. Consequently, workers have learned to temper their wage demands.

The tax structure itself has also fueled anti-tax sentiment. People instinctively feel the tax burden is unfair. And they are right. While 1993 changes in the federal income taxes have made the burden of taxation fairer, low- and middle-income people continue to bear a disproportionate burden of taxes.

To understand who bears the burden of the tax and whether that burden is fair, one must tackle tricky concepts such as tax incidence and tax fairness.

The incidence of a tax is a measure of who pays the tax. Who pays the tax is often difficult to determine, but important in deciding whether a tax is fair. Generally, the burden of the tax falls on the party least able to avoid it. A sales tax (directly levied on consumers) on food is in some part "paid" by the seller in lost sales. But we all need food so consumers will ultimately bear most of this tax on food. The property tax is paid by property owners, but this tax is largely passed on to tenants if the property is rented. Renters need shelter and thus are not able to avoid property taxes easily. The luxury taxes implemented in the Bush administration (and quickly repealed) were borne by the yacht builders, furriers, and jewelers because the pople who could afford these things did not feel as though they "needed" them and bought fewer of such goods.

The two most important notions for understanding the fairness of a tax are horizontal equity and vertical equity. Horizontal equity is a fairly straightforward concept: people in identical or similar situations should pay identical or similar taxes. A 5% sales tax means that 5% of all applicable purchases are taxed. One person buying a compact disc pays the same sales tax as another person buying the same CD. Specific deductions and special exemptions on income taxes reduce horizontal equity.

Vertical equity is the most commonly used notion of fairness. Vertical equity means that people who are better off should pay more. This type of fairness is measured not by the total amount paid but by the percentage of

income paid. When the rich pay more of their share of income than the poor, a tax is said to be progressive or more fair. When the poor pay a larger percentage of their income, a tax is said to be regressive or less fair. When everyone pays the same percentage the tax is said to be flat or neutral.

Federal and state income taxes are examples of a progressive tax. The federal income tax used to be more progressive but a series of tax cuts in the 1970s and early 1980s lowered the rates paid by the highest income groups. The 1993 tax changes expanded the earned income tax credit for the working poor and thus increased the progressivity of the tax. State income taxes are generally not as progressive.

Corporate profit taxes are usually either neutral or progressive. While they reduce profits and dividends for owners, they can also be passed "backward" onto employees or passed "forward" onto consumers. The incidence varies widely but generally employees feel them in lower pay or benefits and consumers end up paying more for the goods. These taxes are usually considered to be flat at most income levels. But when they reduce dividends to owners they become progressive at high income levels.

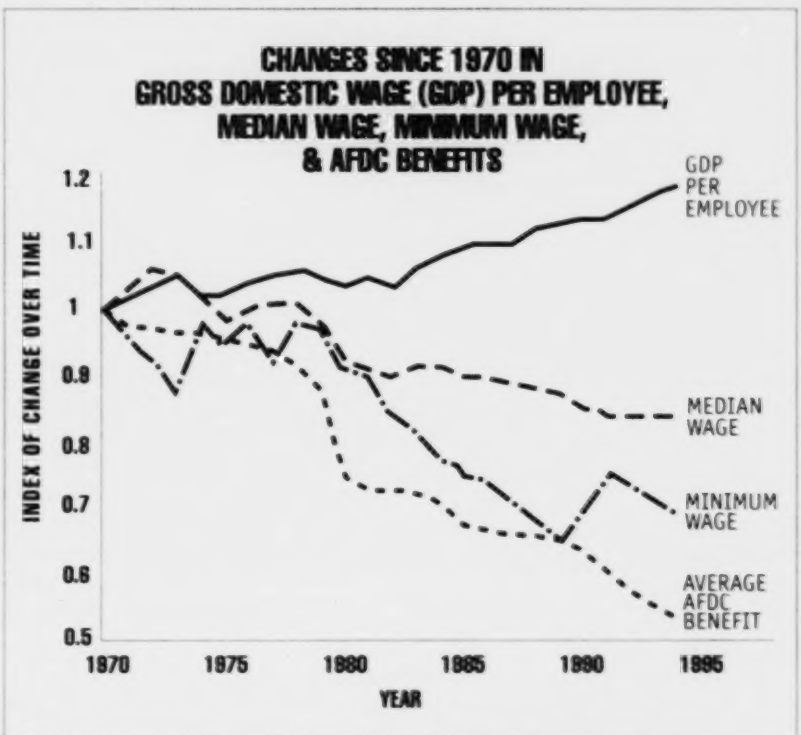
The capital gains tax is a tax on money made from the sale of stocks, bonds, property, and other assets. It is also a highly progressive tax. Higher income people have more wealth and engage in more buying and selling of those assets.

Another possible progressive source of revenue is a general assets tax. Unlike the capital gains tax which taxes only the profit made after a sale of an asset, an asset tax targets the ownership of stocks, bonds, and property. Small asset taxes could be levied on all wealth, but the tax would have to be fairly broad to have a progressive effect. Property taxes levied by local governments are the most common asset tax today and are generally considered regressive. Lower-income people — whether owners or renters — pay a higher percent of income for their dwellings. Expanding asset taxes into stocks, bonds, all real estate, cars, boats, and the like would result in a progressive tax but at the present time does not appear to be politically feasible.

Almost all other taxes are regressive or fairly flat

Sales taxes are on the whole regressive. Poorer people generally consume more than their income by necessity (i.e., they go into debt). Poorer people spend a much higher percent of their income on food. For instance, those earning $5,000 to $10,000 a year spend about 30% of their income on food, compared to those earning over $50,000, who spend less than 10%. Exempting food from a sales tax reduces the regressivity, but half of the states make food fully taxable. Expanding the base of the sales tax to include services will usually make the sales tax less regressive, depending on the services taxed. For example, expanding the sales tax to medical services is highly regressive, because those earning less than $5,000 a year spend almost 20% of their income on out-of-pocket medical services. But expanding to other professional services such as lawyers, accountants, and financial planners would be neutral or progressive, because such services are used more by those with more income.

"Sin" taxes (excise taxes on cigarettes and alcohol) are highly regressive because the poor spend a higher percent of their incomes on these items. Those who earn less than $5,000 a year, for instance, spend about 8% of their income on tobaccco, compared to smokers earning over $50,000 who spend less than 1%. These "sin" taxes do have other benefits for society, however, in that they reduce the consumption of alcohol and to-



This graph shows the changes in real dollars, during the past 25 years.

GDP: The GDP is the measure of how much the economy is producing per worker. From 1970 through 1994, GDP/Employee rose by 19%, from $49,000 to $58,000 in 1995 dollars.

MEDIAN WAGE: The Median Wage is the average weekly wage received by all workers. The average worker has lost about 16% of his or her earnings in real terms since the early 1970s, as the median wage fell from $469 to $395 a week in 1995 dollars.

MINIMUM WAGE: The minimum wage has lost 30% of its value since the 1970s.

AFDC BENEFIT: The average AFDC benefit has fallen by 45% in real terms, from $711 to $392 per month.

bacco. This reduced consumption increases life expectancy and increases productivity in the workplace.

Lotteries and gambling are also sources of revenue for states and are highly regressive. Poor people not only spend a larger percentage of their incomes on these games, but across many income levels they actually spend a larger absolute amount. Lotteries and gambling are state-run or licensed enterprises that entertain and provide an outlet for dreams of "getting rich quick." However, lotteries and gaming have significant negative social consequences in promoting addiction, laundering money from other criminal activity, and creating tension in households over family spending patterns.

Payroll taxes for social security and Medicare are regressive. These taxes are a flat tax on wages and salaries, but they are capped so people in higher income brackets pay a lower percent of their wages and salaries. In addition, working-poor and middle-income people receive a higher percent of their incomes in wages and salaries, than do the affluent, who have a greater share of interest, dividends, and self-employment income.

One type of tax on businesses that is popular throughout the world and getting increasing attention in the United States is the value-added tax. The value-added tax taxes a firm's sales but also allows them to deduct their purchases so they only pay a tax on the difference between their revenues and the cost of purchased inputs. The value-added tax benefits large firms and hurts small firms. The value-added tax is fairly easy to collect but this tax is considerably more regressive than corporate profit taxes because even businesses that lose money must pay it.

THE 10 MOST REGRESSIVE STATE TAX SYSTEMS

Taxes as Shares of Income by Family Income Group

	TAXES AS A % OF INCOME ON		
INCOME GROUP	POOREST 20%	MIDDLE 60%	TOP 1%
WASHINGTON	17.1%	10.5%	3.9%
FLORIDA	14.0%	7.7%	3.6%
TEXAS	13.8%	8.5%	4.4%
SOUTH DAKOTA	11.7%	7.7%	2.9%
TENNESSEE	12.3%	7.5%	3.6%
LOUISIANA	13.4%	9.9%	6.0%
PENNSYLVANIA	13.3%	10.2%	6.1%
ILLINOIS	13.6%	9.8%	6.1%
ALABAMA	11.6%	9.0%	4.8%
MICHIGAN	13.3%	10.6%	6.9%

Source: Citizens for Tax Justice

So far I have analyzed the fairness of taxes based on the ability to pay. But most people's notion of fairness includes fairness in proportion to the benefit received. This notion is somewhat controversial but informs much anti-tax rhetoric. The direct benefits of social security and welfare programs are progressive (the poor receive a higher percent of their income from these sources than the rich) and the benefits from unemployment and workers' compensation are generally flat but turn progressive at high incomes. The direct benefits of home mortgage interest deductibles, accelerated capital depreciation for businesses, advertising subsidies, agricultural subsidies, mining and mineral rights, public development agencies, as well as other business subsidies, are regressive.

The dilemma here is that the school revenues come from largely regressive sources. When education advocates want to increase funding for their schools, they too often look first toward property taxes and sales taxes. Instead, it would be more fair in the long run to try to increase the progressivity of tax revenues generally, and increase the state and federal share of educational spending. Increased state and federal funding would mean greater reliance on progressive tax sources such as the income tax. It would also mean an increase in funding equity between school districts as poorer areas would be able to receive money from richer districts.

Half of the struggle for school financing must be rooted in increased tax fairness. The benefits of public education reach far and wide, filter through every facet of our lives, and far outweigh its cost. It is important to make businesses and the wealthy ante up for their share of the benefit.

What is perhaps most important, however, is that educators realize the link between anti-tax sentiment and declining wages. People who support adequately funded public schools should not be afraid to build coalitions for living wages, worker rights, universal health care, and an economy centered on people's needs rather than maximizing profits. All of this is part of the struggle for quality public schools. ■

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QUOTABLE QUOTES

The idea of financing local schools primarily on the basis of local wealth is abhorrent from any basic American point of view about fair play. It guarantees that the family that can afford to buy a million-dollar home in an exclusive suburb automatically is able to buy, essentially, a million-dollar education for their children and in that way, rig the game of competition for the rest of that child's life. If money is good for the family that can live in an exclusive suburb, then it's good for the poorest family in Cincinnati. If what I'm saying sounds like some type of redistribution, that's exactly right. That's what it is. There's no other way.

Jonathan Kozol, *"Children in America's Schools, with Bill Moyers."*

Who Owns the Wealth?

It has been commonly said that during the Reagan years this country flourished. But this was only true for the richest 1% of the population, who reaped 65% of the total marketable gains from 1983 to 1989.

In other words, the rich got richer.

Despite this country's rhetorical homage to equality and the value of the common person, the United States has the highest gap between rich and poor in any industrialized country. The wealthiest 1% of U.S. households owns nearly 40% of the nation's wealth, according to Edward Wolff, author of *Top Heavy: A Study of the Increasing Inequality of Wealth in America*. The bottom 80% of the country, meanwhile, owns only 15% of the wealth. In Britain, which historically has had the highest disparity in wealth, the top 1% of the population keeps 18% of the wealth.

"The increase in wealth inequality [in the United States] recorded over the 1983-89 period is almost unprecedented," Wolff writes in his book. "The only other period in the 20th century during which concentration of household wealth rose comparably was from 1922 to 1929. Then inequality was buoyed primarily by excessive increase in stock values, which eventually crashed in 1929, leading to the Great Depression of the 1930s."

BY ERIC DECKER

Wolff, professor of economics at New York University and managing editor of the *Review of Income and Wealth*, argues that in order to analyze economic inequalities one must go beyond the annual income of a person or family and look at their wealth. Wealth is defined as the dollar value of assets, minus any debts or liabilities, held by a household at any one time. Income refers to the flow of dollars over a period of time, generally one year.

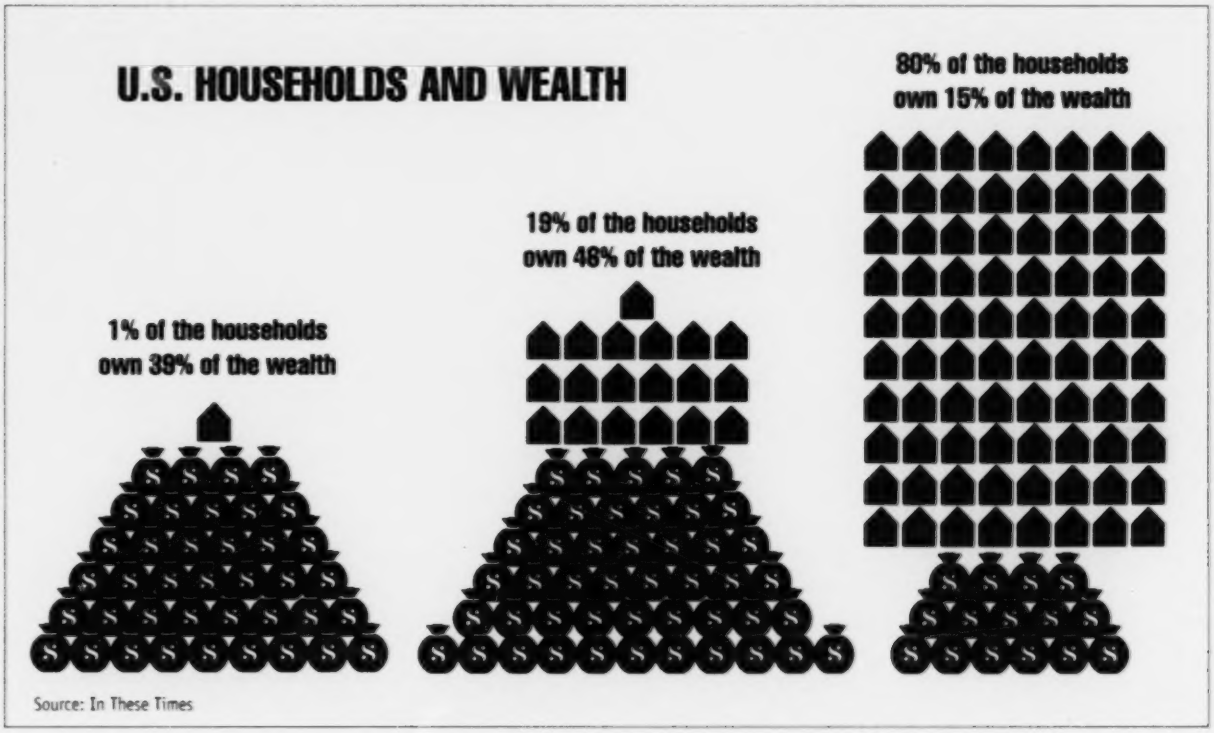
Wealth is important not only as a source of income but for "the security that wealth brings to its owners," Wolff writes. "In times of economic stress, occasioned by such crises as unemployment, sickness, or family breakup, wealth is an important cushion. The very knowledge that wealth is at hand is a source of comfort for many families."

Wolff also notes that "though there have been some gains in closing the racial wealth gap among better-off nonwhites, the differential is large and growing for the median family."

Not only is the disparity in wealth in the United States the worst in the industrialized world, so is the gap in income. In Germany, high-wage workers earn about 2.5 times as much as low-wage workers and the gap has been decreasing. In the United States, the gap is increasing and high-wage workers already earn more than four times as much as low-wage workers.

Between 1980 and 1995, for instance, the inflation-adjusted earnings of adults in the highest income brackets rose by 10.7%, median workers' wages fell 3.6%, and the wages of those in the lowest brackets plummeted 9.6%, according to former U.S. Secretary of Labor Robert Reich.

Meanwhile, according to the *1996 Kids Count Data Book*, a quarter of America's children are officially defined as poor, four times the number in Europe. ■


U.S. HOUSEHOLDS AND WEALTH
1% of the households
own 39% of the wealth
19% of the households
own 48% of the wealth
80% of the households
own 15% of the wealth
Source: In These Times

Where Should the Money Go?

The system that determines education funding for most American elementary and secondary students is a national disgrace. From the perspectives of economics and justice, education is a national responsibility; from a legal perspective it is a state responsibility; yet, in practice, per-pupil instructional costs within states vary widely, with more money going to affluent communities than to poor ones. For example, Baltimore City is one of the poorest jurisdictions in Maryland and has one of the lowest per-pupil instructional expenses of any of Maryland's 24 districts; yet its property tax rate is twice that of the next highest jurisdiction. A similar story could be told in almost any state in the U.S. Funding formulas work systematically against children who happen to be located in high-poverty districts but also reflect idiosyncratic local circumstances. For example, a factory closing can bankrupt a small school district. What sense does it make for children's education to suffer based on local accidents of geography or economics?

To my knowledge, the U.S. is the only nation to fund elementary and secondary education based on local wealth. Other developed countries either equalize funding or provide *extra* funding for individuals or groups felt to need it. In the Netherlands, for example, national funding is provided to all schools based on the number of pupils enrolled, but for every guilder allocated to a middle-class Dutch child, 1.25 guilders are allocated for a lower-class child and 1.9 guilders for a minority child, exactly the opposite of the situation in the U.S., where lower-class children typically receive *less* than middle-class children.

Of course, even equality in per-pupil costs in no way ensures equality in educational services. Not only do poor districts typically have fewer funds, they also have greater needs. Economists call this "overburden." For example, Baltimore City must spend almost 23% of its school funds on special education, compared to a state average of 14.4%. It must employ more school security guards than there are total police officers in the majority of Maryland counties. Baltimore City is thus able to spend a smaller proportion of its total school budget on regular instruction than any other jurisdiction.

BY ROBERT SLAVIN

The case for increasing educational resources for low-wealth districts is clear, and state courts in New Jersey, Kentucky, Texas, Alabama, and other states have declared property-tax-based funding systems unconstitutional. Cases are pending in many states.

It is *after* courts decide that poor districts need more money that the most important decisions must be made. How can new money make a maximum difference for children?

As important as funding equity is, however, it is *after* courts decide that poor districts need more money that the most important decisions must be made. How can new money make a maximum difference for children?

FUNDING PROVEN PROGRAMS

Any funding equity remedy should address two kinds of issues. One is improving base funding for low-wealth districts and improving basic requirements for education: bringing facilities, teachers' salaries, class sizes, electives, and other features that most schools take for granted, up to adequate levels (as defined by levels typical in the region or state).

However, improving the general quality of life in historically underfunded schools is by no means an adequate plan. Expenditures also must be earmarked for programs likely to make a substantial difference in student achievement in a relatively short period of time.

Given our current state of knowledge, what programs and practices are likely to have the greatest payoff in higher achievement, especially for disadvantaged students likely to have suffered most from inequitable funding policies? Granted, some educators are too quick to point out the "disadvantages" of their students, and fail to build on their students' strengths. It is important that we recognize that schools should adapt their programs to students and not the other way around. In the best of all worlds, class sizes would be small enough to allow for more individualized attention and teachers would have the training and support needed to ensure academic success for all students. That being said, the following programs have strong evidence of effectiveness.

Early childhood programs. One popular investment in schools serving disadvantaged students is pre-kindergarten programs for four-year-olds. Research on pre-kindergarten programs has found positive effects on language and cognitive growth. While such growth is not necessarily sustained throughout the elementary years, positive effects appear again in increased chances that students will graduate from high school, stay out of trouble with the law, and other outcomes. However, the programs that have had the greatest impacts on children throughout their schooling are ones that last several years (into the early elementary grades) and incorporate family as well as school interventions. In other words, simply providing a garden-variety pre-kindergarten experience is worthwhile, but substantial and lasting effects require longer and more intensive intervention, especially with the most at-risk children.

Tutoring. Perhaps the most direct and certain translation of dollars into achievement gains is the provision of one-on-one tutoring for students having serious difficulties in school. The most extensive evidence shows the effectiveness of tutoring in ensuring success in first-grade reading. Reading Recovery, a tutoring model originally devel-

oped in New Zealand, has particularly impressive evidence of effectiveness and has been disseminated widely in the U.S. However, other tutoring programs have also been quite successful. The most effective tutoring programs use certified teachers as tutors, but there has also been research showing that paraprofessionals can be effective as tutors.

Success for All. Our own Success for All, developed and researched at Johns Hopkins University, is a comprehensive program for elementary schools serving disadvantaged students that combines several elements, known to be effective in themselves, into a coherent plan designed to ensure that every child is successful in the elementary grades. The program incorporates research-based pre-kindergarten and kindergarten programs, one-to-one tutoring for first graders experiencing difficulties in reading, extensive use of cooperative learning in grades 1-5 reading, writing, and language arts, and an active family support program. Research on Success for All has found substantial positive effects on student reading performance and on reducing retentions and special education placements. The program is currently used in 450 schools in about 100 districts in 31 states, including several in which it is used explicitly as a response to court orders requiring additional expenditures to provide effective programs in racially isolated or underfunded schools.

School Development Program. James Comer's School Development Program is an approach to school change that emphasizes connecting families with schools, helping school staffs appreciate and incorporate the values and perspectives of minority families, and increasing student self-esteem. Research on the School Development Program has been limited but does favor the approach. As is the case with Success for All, the School Development Program is often used in districts where courts have required expenditures on effective programs.

Staff development. Beyond any specific programs or practices, there is a need for schools serving disadvantaged students to invest in extensive staff development, to help teachers learn and incorporate in daily lessons the latest developments in curriculum and instruction. For example, teachers at all grade levels may learn to use cooperative learning methods, which have been found to be highly effective in increasing achievement. They also can be trained in effective classroom management strategies, effective motivational strategies, and they may learn to use effective approaches to various subjects, such as writing process methods for creative writing. Schools at all levels should reduce their use of ability grouping, and teachers need extensive professional development in methods for teaching very heterogeneous classes. Effective professional development means much more than one-day workshops. It means extensive in-class follow-up after initial training, including peer and/or expert coaching.

KATHY SLOANE

This is an exciting time for educators and others who are concerned about the education of children who have traditionally received far too little from their schools. In state after state, funding equity decisions have provided an opportunity for underfunded districts, not only to receive much-needed dollars, but also to reform themselves and adopt programs with great promise for improving student achievement. However, successful funding-equity cases provide only an opportunity, not a guarantee that increased funds will pay off for children. Educators, community members, political leaders, and others then must work together to see that the opportunity presented by victory in the courts truly becomes a victory for children. ■

Robert Slavin is co-director of the Center for Research on the Education of Students Placed at Risk, at Johns Hopkins University.

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EARL DOTTER/IMPACT VISUALS

The Benefits of Smaller Classes

Tennessee study shows how money can be well spent

Many parents and teachers have long advocated that money should be allocated to reduce class size and provide the opportunity for improved learning. They are now able to point to a ground-breaking Tennessee study to bolster their demands.

The study, known as Project Star, followed some 6,500 children from kindergarten through third grade and found that children in smaller classes outperformed those in regular-sized classes, as measured by test scores such as the Stanford Achievement Test. The large number of children and the length of time involved have been cited as key factors in the project's importance.

Researchers have continued to follow the students and have found that the benefits of small classes in the early grades are sustained at least through seventh grade. Retention rates and special education referrals also fell for children who had been in the smaller classes.

BY BARBARA MINER

'A GREAT EXPERIMENT'

Frederick Mosteller, a Harvard University professor emeritus of mathematical statistics who reviewed Project Star, has called the project "one of the great experiments in education in U.S. history."

In an article in the Winter 1996 *Harvard Educational Review*, Mosteller, Richard Light, and Jason Sachs noted that "U.S. education does not lack innovations; rather, it lacks careful, long-term evaluations of their performance." They then refer to the "exemplary investigations" of the Tennessee study for its rigorous research on a large scale, "in many schools, with many children, over a long time, using a well-designed plan."

Project Star began in 1985, funded by the State of Tennessee and implemented with the help of four universities: Memphis State, Tennessee State, Vanderbilt, and the University of Tennessee-Knoxville. The 6,500 children who were followed attended 76 different schools: 17 inner-city schools, 16 suburban, 38 rural, and 8 urban.

Students and teachers were randomly assigned to either small classes, defined as a teacher-student ratio of 1:13-17; regular classes, with a 1:22-25 ratio; or regular classes with a full-time teacher aide. Participating schools were asked to limit changes to class size and not to make any major changes in process or organization. Participating schools had to have enough students to provide at least one of each of the three classes.

Two kinds of tests were used to assess performance: standardized tests (such as the Stanford Achievement Test) and curriculum-

based tests (Tennessee's Basic Skills First Test).

Jeremy Finn, a professor of education at the State University of New York-Buffalo who was a consultant to Project Star, said there were three major findings from study:

• Children in smaller classes in early grades outperform children in regular classes in all subjects.

• Smaller classes were especially beneficial to children in inner-city schools. Furthermore, in the first two years, minority students gained twice as much as other students. The minority students were almost all African American.

• The improvement was immediately clear in kindergarten. The benefit of small classes increased still further in first grade and remained stable in second and third grade.

ONGOING INITIATIVES

Project Star, which lasted from 1985-89, was followed up with two other initiatives. Phase Two, an on-going investigation known as the Lasting Benefits Study, tracked the students as they continued in fourth grade and beyond. It found that the benefits of being in a small class continued even after pupils moved to regular-size classes.

Phase Three, known as Project Challenge, implemented small classes in kindergarten through third grades in 17 districts in Tennessee where children were at high risk of dropping out early; the districts also had the lowest average incomes in the state. The results of the first three years of Project Challenge "have been encouraging," the *Harvard Educational Review* article noted. "In the smaller classes, the children from these districts are performing better on both standardized and curriculum-oriented tests than pupils in the same districts in earlier years. Indeed, their end-of-year performance has raised their district ranking in arithmetic and reading from far below the average for all districts to above average."

Teachers have consistently called for smaller classes and many national organizations are demanding smaller classes as a prerequisite for improved achievement. The Board of Directors of the National Council of Teachers of English, for example, has passed a resolution that calls for class sizes of not more than 20 and a workload of not more than 80 for English language arts teachers. The National Association of Elementary School Principals' Delegate Assembly has also called for a teacher-pupil ratio of 1:15 in the early grades.

GRADE-BY-GRADE RESULTS

According to the final report of Project Star, these are the grade-by-grade results:

• In kindergarten, Project Star showed definite plusses for kids in small classes but no significant advantage in classes with a teacher aide.

• By the end of first grade, students in small classes were outperforming students in the other classes by substantial margins on standardized tests and on the state's Basic Skills First test of reading and math. The presence of a teacher aide in first grade helped student achievement, but not as much as the small class size. In the small classes, students were approximately two months ahead of pupils in regular classes in both reading and math. Improvements were most noticeable for minority pupils.

The Tennessee class size study has been praised as 'one of the great experiments in education in U.S. history.'

• In second grade, students in small classes continued to outperform other students on the SAT in reading, math, listening, and word study skills and on the Tennessee Basic Skills First test in reading and math. Students in classes with full-time aides did better than those in regular classes, "but the differences were not significant."

• In third grade, the pattern of results established in kindergarten "had become firmly fixed," the report said, in every type of school including urban, rural, inner-city, and suburban. ■

California Earmarks $1 Billion to Reduce Large Class Sizes

California, never a state to take a moderate approach to politics, has embarked on an ambitious program to drastically reduce class size in the early grades.

Class sizes in California averaged about 30 students in 1994, the highest in the country. Class sizes weren't the only problem. The same year, California — once considered the best public school system in the country — won the dubious honor of placing last on the national assessment of fourth grade reading.

Under a nearly $1 billion state-funded program that began in the 1996-97 school year, however, the state is providing money to lower class sizes in the K-3 grades to 20 students.

Districts have responded enthusiastically even though space crunches have meant the need to creatively devise new classrooms out of existing cafeterias, gymnasiums, teacher lunchrooms, or computer labs.

In the Long Beach Unified district, for example, more than 15,000 students are now in classrooms with 20 or fewer students.

"We've seen so much excitement from the teachers," district spokesman Richard Van Der Laan told *Education Week*. "They're all taking a new look at not only the numbers they are teaching, but the way they're teaching."

By early January 1997, about 52% of K-3 students are in classes of 20 or fewer, according to state education officials. They predicted that by February 1997, more than 90% of all first graders would be in smaller classes, with the percent decreasing to about 23% in third grade.

"Our teachers are looking forward to a reduction in class size," said Barbara Mikolasko, vice principal at an elementary school in suburban Los Angeles. "We feel that [overcrowding] has contributed to some of our failures statewide." ■

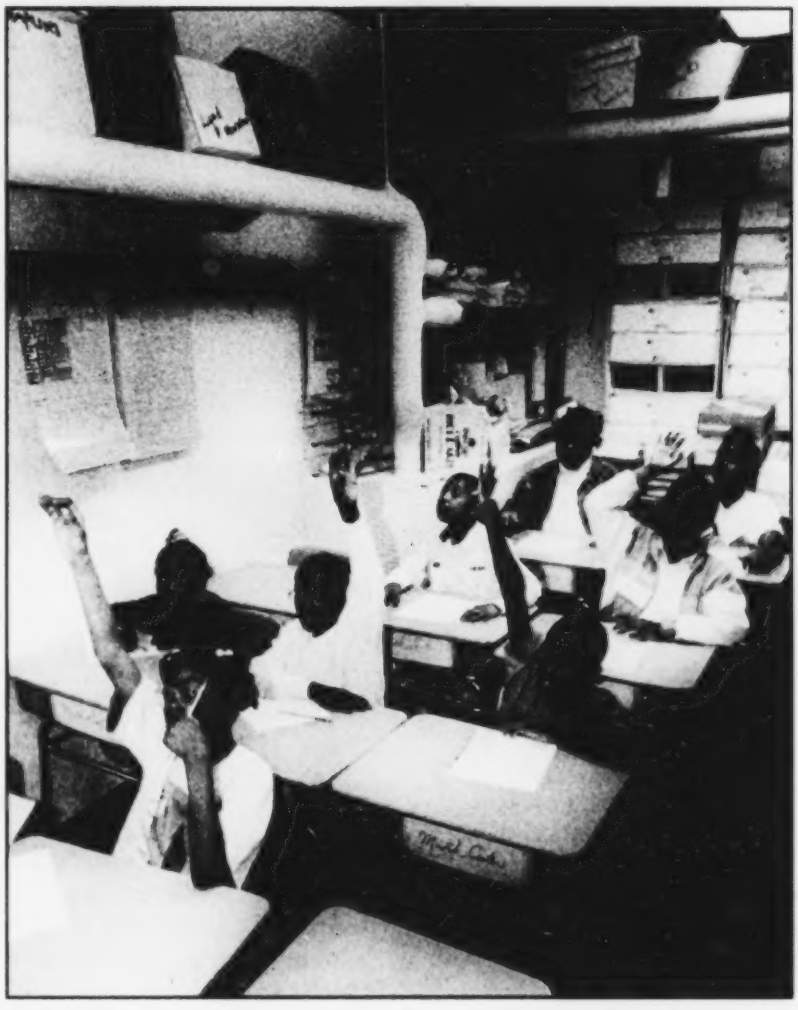
—Barbara Miner

School Facilities At Crisis Level

As cold winds whistle through my classroom windows, my fifth graders demand that they be allowed to wear their jackets. Gusting winter winds inevitably mean a drop in my room's temperature despite high thermostat settings and lowered window shades. Maybe I am old-fashioned, but there is something about teaching kids who are wearing parkas that makes me feel we aren't focused on learning.

Later that afternoon I work on report cards, trying to stay warm by using a space heater from home, carefully running a 50-foot extension cord across the room, fearful what effect the heater might have on an already overburdened power strip. I joke with the engineer that the real reason for global warming must be all the old schools that expend lots of energy heating up the outdoors.

The state of school facilities, however, is no joke. My school's 93-year-old building is all-too-typical of substandard school facilities across the country. According to a recent study, an estimated one-third of our nation's students go to schools that are substandard and unsafe.



SUSAN LINN BIGGER

CRUMBLING SCHOOLS

"A glance at some school districts around the country illustrates the scope of the problem," the *New York Times* reported following a government study two years ago. "Century-old school buildings are crumbling in New York City, while schools in New Orleans are being eaten away by termites. A ceiling in a Montgomery County, Ala., school recently collapsed, 40 minutes after children left for the day.

"In Chicago, there is not enough electrical power and outlets for computers, which remain in their packing boxes. And in suburban Philadelphia, some schools are so crowded that students are not allowed to carry backpacks to school because there is no room in the halls and lunch starts at 9:22 a.m. so that all students get a chance to eat."

An estimated $112 billion is needed to bring existing school facilities up to minimal standards, according to a 1995 report by the General Accounting Office (GAO). This contrasts sharply to what is spent on school facilities. The federal government spends virtually nothing except on school buildings on military bases and Indian reservations. State governments spent less than $3.5 billion in 1994 and local governments spent $7.1 billion — less than 10% of the GAO's estimate for meeting minimal standards.

The GAO based its report on a national sample survey of about 10,000 schools in over 5,000 districts, augmented by 41 site visits. The initial study, *School Facilities: The Conditions of America's Schools*, dealt exclusively with the physical and environment-al conditions at existing schools. Investigators found that 25,000 schools serving about 14 million students "have one or more entire buildings in less-than-adequate conditions, needing extensive repair or replacement." The schools are distributed nationwide.

The $112 billion estimate does not take into account expected enrollment increases. Nationwide, the number of elementary and secondary students is expected to grow from 47 million in 1991 to a record high of 56 million in 2004.

A second GAO report, *School Facilities:*

BY BOB PETERSON

America's Schools Not Designed or Equipped for 21st Century, focused on whether school facilities have the capacity to support education reform and improvement, including new technologies. The GAO found that "most schools do not fully use modern technology," principally due to a lack of building infrastructure. Other findings were "that about 40% of schools ... cannot meet the functional requirements of laboratory science or large-group instruction even moderately well" and that over half the schools have "unsatisfactory flexibility of instructional space necessary to implement many effective teaching strategies." In addition, nearly two-thirds of the schools cannot meet the functional requirements of key support services — such as private areas for counseling and testing, parent support activities, social/health care, and before- and after-school day care.

COST OF TECHNOLOGY

The GAO did not estimate costs to support learning needs for the 21st century — but these likewise run into billions of dollars. Just to link all elementary and secondary schools to the Internet, for example, would cost about $37 billion, according to Thomas Boysen, former commissioner of education of Kentucky and now senior vice president of the Milken Family Foundation.

An estimated $112 billion is needed to bring existing school facilities up to minimal standards

Charter schools also have found that inadequate facilities are a key problem. In a 1995 survey of 100 charter schools in seven states, facilities were ranked as one of the top three obstacles, along with start-up money and finances, according to the Education Commission of the States.

Those most affected by substandard facilities are, for the most part, poor and of color. As the GAO reported, "Overall, schools in central cities and schools with a 50% or more minority population were more likely to have more insufficient technology elements and a greater number of unsatisfactory environmental conditions."

Construction of school buildings has long been a local responsibility, normally requiring passage of local bond referenda. The GAO noted that the amount of the bonds usually is based on what is politically feasible, not what is needed for repairs and construction. In Pomona, Calif., for example, a $62.5 million bond issue was submitted to the voters after a survey indicated that the $200 million needed would be rejected. In Milwaukee, school officials decided that their original estimate of $1.2 billion for renovation and construction was politically unpalatable and so reduced a 1993 bond referendum by two-thirds — and still lost.

Persistent school board members in some communities have refused to give up. They have gone back to voters a second or third time (often with lower requests) and often have been successful.

In urban areas, the anti-tax sentiment that has doomed many school referenda is often wrapped up with issues of race. The voting population is often majority white, while those attending public schools are majority children of color. As one local official told me during the 1993 Milwaukee referendum, "My [white] constituency will vote against any money to public schools, because their perspective is that all public schools have ever done is bring Black kids into the neighborhood." The official went on to say that many whites in his district send their kids to parochial or private schools and are more interested in seeing public tax dollars used to fund private schools.

In my research on school facilities, I discovered that no national organization or government agency tracks local school-building referenda, and such tracking is rare even on a state level. State and federal officials apparently feel so little responsibility toward the quality of school facilities that they don't even systematically assess the situation.

Overall, state support for school construction and renovation is weak. Only 13 states have comprehensive school facilities programs, and, other than Alaska and Hawaii, no state spent more than $300 per pupil on facilities in 1994. Seventeen states, including Wisconsin, spent less than $100 per pupil. In fact, the GAO reports that Wisconsin was one of ten states that maintained "extremely limited or no information" on the condition of school facilities.

On the plus side, Alaska has led the way. Forced by a court suit and aided by significant oil revenue, the state financed a massive school building program in the 1980s which put a full-service high school in every community in the state, even those in remote rural areas. Many of these schools have become vibrant community centers, the focal points of cultural, recreational, and educational activities for the community.

Funding initiatives at the federal level, meanwhile, have been minimal. The $100 million initially put into the fiscal 1995 budget at the insistence of Sen. Moseley-Braun (D-IL.) would only have been enough to build two or three full-service high schools. Even this small amount was cut and nothing was considered for the 1996 budget. ■

QUOTABLE QUOTES

Let's face it. This problem [of school funding] cannot be fixed on the cheap. It is going to require some national commitment, a climate of opinion that says investment is necessary. ... You're looking at billions of dollars, minimal, just to fix up buildings. ... You can't very well improve the quality of education if the kids are going to schools with leaky roofs and windows that are broken out.

Sen. Carol Moseley-Braun (D-Ill.), *"Children in America's Schools, with Bill Moyers."*

Bob Peterson is a *Rethinking Schools* editor and a 5th grade teacher at La Escuela Fratney in Milwaukee.

Build Prisons or Build Schools?

"Lock 'em up" mentality puts record number of youth in jails

Across the country, state spending on education is being squeezed as the money spent on prisons and corrections expands.

Corrections is the fastest growing area of general fund spending for states in fiscal 1997, with a budgeted increase of 6.8%, according to the National Conference of State Legislatures. Oregon leads the way, with a budgeted rise of 21.9%. In contrast, spending on education — both K-12 and higher education — is budgeted to grow about 5% in 1997.

Currently, one in three African-American males between the ages of 20 and 29 is either incarcerated, on probation, or on parole.

These increases follow a trend which started in 1995 when, for the first time, corrections became by far the fastest growing area of states' appropriations, with an average rise of 13.3%. In 1995, spending for K-12 increased 7.5% and for higher education it went up 2.3%.

General revenue funds in state budgets are generally used for four major areas: education (K-12 and higher education), corrections, Medicaid, and welfare programs. In an era of tight budgets and tax-cutting fervor, growth in one area tends to come at the expense of another area.

The jump in corrections spending coincides with a "lock 'em up" approach to crime. Almost 1.6 million people were incarcerated in 1995 in state and federal prisons and local jails in the United States — almost double the number of people in custody in 1985, according to the U.S. Justice Department's Bureau of Justice Statistics *Bulletin* released in August, 1996.

The United States has the highest incarceration rate in the world. One in every 167 U.S. residents was imprisoned at the beginning of 1996, according to the *Bulletin*. This rate is six to eight times higher than that of any other industrialized nation. Most telling, the U.S. rate now even surpasses Russia's, which for the last reported data in 1994 showed 590 inmates per 100,000 residents.

These numbers do not reflect an increase in crime but rather changes in public policy, harsher sentences, and the "three strikes and you're out" laws, according to Marc Mauer of the Sentencing Project, a non-profit group based in Washington, D.C., that advocates alternatives to incarceration.

Minorities have been particularly affected by the "lock 'em up" mentality. African Americans now make up 51% of inmates in state and federal prisons, even though they comprise 14% of the nation's population, according to the Sentencing Project. Blacks are seven times more likely than whites to be jailed in a state or federal prison. The Bureau of Justice Statistics reports that between 1980 and 1993 the number of imprisoned African-American men grew 217%.

The number of minorities under the jurisdiction of the criminal justice system is even higher. Currently, one in three African-American males between the ages of 20 and 29 is either incarcerated, on probation, or on parole, according to the Bureau of Justice Statistics. More African-American men are in jail than in higher education.

Education advocates note there are clear links between prison and schooling. According to a report in the October 1994 issue of *Postsecondary Education Opportunity*, 65% of all state prisoners in 1991 had not graduated from high school. Overall, the incarceration rate in state prisons was 15 times greater for high school drop-outs than for a person with at least some college education.

Recent trends, however, do not bode well for a change. As Richard Murphy, Director of the Center for Youth Development and Policy Research in Washington, D.C., said, "Today in America, we guarantee every 14-year-old a prison cell before we guarantee them an after-school program." ■

BY PHYLLIS SIDES

Really Rich White Guys

"Gross Compensation?" is the headline *Business Week* used to describe the paychecks and stock options doled out to the elite of corporate America in 1995. And "gross" aptly describes Robert Allen's actions. The AT&T CEO pocketed not only a $5.85 million paycheck but also stock options worth almost $11 million in 1995 — the same year his company laid off 40,000 workers.

Allen was not alone among CEO big wigs who enjoyed multi-million-dollar pay increases as their work force was "downsized." Corporate excess was so excessive that *Business Week* proclaimed, "New CEO pay figures make top brass look positively piggy."

The average CEO pay at large corporations jumped 23% in 1995 to $4.37 million, according to *Business Week's* annual spring survey. Although CEO base salaries rose only 4%, stock options increased an average of 45% and CEO bonuses increased by 39%.

By comparison, the average factory worker's wages increased 1% in 1995 and the average white collar worker's salary increased 4.2%, *Business Week* said.

BY PHYLLIS SIDES

Citizens for Tax Justice, a tax equity group in Washington, D.C., has listed the "Layoff Ten" from 1993-1995 (see chart). The group analyzed the companies' annual reports and found that the layoffs of thousands of lower-level employees often coincided with huge pay hikes for top executives, as well as cushy company profits bolstered by billions of dollars in tax subsidies.

AT&T topped the "Layoff Ten" list with pretax profits of $20.8 billion, $3.1 billion in tax subsidies, and 40,000 layoffs.

At Pacific Telesis, which laid off 19,000 people during the 1990s, CEO Philip Quigley took home $2.4 million in total pay in 1995, a 23% increase. At Delta Air Lines, 18,800 jobs have been cut since 1991 yet CEO Ronald Allen enjoyed a 187% pay increase in 1995, collecting $1.4 million.

"At a time of massive layoffs, it's rubbing salt into the wound," David Winford, a pay expert at William Mercer Inc., says of the corporate packages. "Politicians could start talking about raising tax rates for high-income individuals."

While most of the highest-paid corporate executives are with high-profile companies such as Coca-Cola, Texas Instruments, and Aetna Life and Casualty, CEOs of some lesser-known companies also manage to do quite well. For example, Howard Solomon, CEO of Forest Laboratories Inc. in New York, made more than $17 million in 1995.

Forbes, another business publication whose readers are acutely interested in corporate compensation, says Michael Eisner of Walt Disney was the best-paid executive during 1991-95. His total compensation in that time, including salary, bonus, and stock options, was $232 million.

Like *Business Week*, *Forbes* is well aware that such packages don't sit well with the average American. As it wrote in its May 20, 1996, issue on corporate America's most powerful people:

"We won't try to justify what H.J. Heinz has paid the flamboyant Anthony O'Reilly since 1991. O'Reilly's total is $119 million, ranking him fourth in the top 25 [of best-paid executives]. But Heinz's results have been disappointing over the last several years .... Heinz stock has failed to keep pace with the S&P 500. Tony O'Reilly's ego and paycheck are bigger than his accomplishments." ■

THE "LAYOFF TEN" • LAYOFFS, TAX SUBSIDIES, & CEO PAY

	1993-1995			1995
COMPANY	LAYOFFS	PRETAX PROFITS	TAX SUBSIDIES	CEO PAY
AT&T	40,000	$20.0 BILLION	$3.1 BILLION	$5.2 MILLION
KIMBERLY-CLARK	18,000	$3.1 BILLION	$197 MILLION	$1.6 MILLION
BANK AMERICA	15,750	$9.0 BILLION	$1.2 BILLION	$11.9 MILLION
EASTMAN KODAK	14,000	$3.0 BILLION	$189 MILLION	$9.3 MILLION
AMOCO	13,000	$4.9 BILLION	$938 MILLION	$1.6 MILLION
PROCTOR & GAMBLE	13,000	$6.1 BILLION	$194 MILLION	$3.9 MILLION
AMERICAN HOME PRODUCTS	8,600	$5.0 BILLION	$720 MILLION	$5.0 MILLION
MOBIL	6,000	$2.8 BILLION	$434 MILLION	$3.0 MILLION
ALLIED SIGNAL	3,100	$2.8 BILLION	$665 MILLION	$8.5 MILLION
MCI	3,000	$3.2 BILLION	$585 MILLION	$2.4 MILLION

Source: Citizens for Tax Justice

Schools, Equity, and The 'Information Superhighway'

BY LEON LYNN

The explosive development of computers and telecommunications technology has spawned an awesome array of new education tools. With the right equipment and the right support, students can immerse themselves in multimedia lessons as engaging as any Nintendo game or sit in on a discussion or a dance recital taking place at a school half a world away. A student writing a research paper can "surf" for information through a global network of databases, information services, and archives that is staggering in its scope and growing every day.

But in most schools, that magic combination of tools and support simply doesn't exist, and students never reach that potential. That's especially true for students of color and those from lower-income families, who are less likely to have computers at home.

The current wave of technology is still in its infancy, and many educators hope that as it develops it can become a powerful weapon against the inequities that now plague our education system. But others fear that the advent of new technology will only widen the existing gaps between students from different backgrounds.

Among the major problems:

- New technology costs a lot of money, creating new financial burdens that disproportionately affect poor school districts already struggling to make ends meet.
- Technology alone won't transform a school that suffers from a shortsighted or flawed educational vision. Computers can be adapted to shallow, irrelevant lessons as easily as they can be used for nobler pursuits.
- Even teachers committed to delivering high-quality instruction often lack the training and experience they need to use technology effectively. Poor schools again find themselves on the short end of the stick in this realm.
- Because the so-called Information Superhighway will be built with heavy reliance on private, profit-seeking companies, less desirable markets and less profitable services may be slighted, even if they could deliver significant social benefits.

GREAT THINGS CAN HAPPEN

Where education technology is well funded, well conceived, and carefully implemented, great things can happen. Look, for example, at the largest school district (geographically) in the United States, the North Slope Borough School District in Alaska, encompassing more than 80,000 square miles. Teachers, using technology funded through handsome local oil revenues, use a network of computers and satellites to reach 2,000 students in remote villages scattered across the district, conducting lessons with the help of teachers on site. Students and district personnel also use computers to access the Internet and to communicate with their friends and colleagues through the district's own data network.

Schools in central cities or schools with a minority population of over 50% are more likely than others to have insufficient technology resources.

In Community Consolidated School District 59, which serves four suburban Chicago villages near O'Hare International Airport, students armed with digital cameras take pictures during field trips, write stories to accompany the photos, and post their work on the district's World Wide Web site, where it is available to a truly worldwide audience. The Web site also includes extensive data about the district and its community, notes about school programs and upcoming events, and detailed explanations of school initiatives, among other information. Each of the district's 6,000 K-8 students uses a computer for an hour each day, said Robert Bortnick, the associate superintendent for instruction.

But these glowing examples are the exception, not the rule. A 1995 report by the U.S. General Accounting Office (GAO) found that most schools lack the critical "technology elements," such as computers, modems, phone lines, or in-school networks, that they will need to make full use of education technology. What's more, "schools in central cities or schools with a minority population of over 50% are more likely than others to have insufficient technology elements," the report said.

Other recent studies tell a similar tale of inequity. A 1993 article in the *Teachers College Record*, for example, detailed research that showed students from high-income families have greater access to computers in school than students from low-income families. African-American students used computers in school less than white students did, and students whose native language wasn't English used computers less often than native English speakers, the research showed. Again, this inequity is compounded by unequal access to computers in students' homes.

COST OF CONNECTING

The inequity will only grow worse as schools seek to acquire newer — and more expensive — technologies. The installation of fiber-optic cables, for example, which can be used to transmit high-quality video signals and massive streams of data, can easily run $100,000 or more for a single school. Add related costs, such as upgrading an electrical system to run six computers in a classroom originally fitted with a single outlet, and that bill can double. And that doesn't include the cost of hardware and software to make use of the cable, teacher training costs, and

access fees charged by service providers.

How much will it cost to connect all U.S. schools to the Information Superhighway? Estimates vary widely, but even the most conservative guesses, such as a 1995 estimate by Education Secretary Richard Riley, start at $10 billion. Other observers suggest the actual price tag will be in the hundreds of billions, not including the ongoing costs of training and access.

In Wisconsin, a state with just under a million students, a legislative committee recently estimated that wiring up the state's schools would cost about $105 million. But providing all students with complete access to the Information Superhighway, including the necessary purchases of hardware and software, would cost more than $5.4 billion, the committee said.

It's hard to see where such tremendous sums could be found in a national school system that, according to another 1995 GAO report, would need more than $110 billion just to patch leaky roofs, rewire faulty electrical systems, and make other basic repairs to buildings. Given the anti-tax sentiment that now pervades this country, it seems unlikely much new money will be available from government sources any time soon.

DRILL AND KILL

While the "computer gap" between different types of students is disturbing, some observers point out optimistically that it was far worse a few short years ago. Federal figures show that in 1984 twice as many white high school students used computers as minority students did. By 1989, a Census Bureau study found that 48% of white students used computers at school, compared to 35% of black students, a significant but smaller gap. A 1995 study by the federal Office of Technology Assessment (OTA) found that during the past decade schools nationwide have added between 300,000 and 400,000 computers per year to their inventories. Total public K-12 technology expenditures for 1993 were estimated at $2.13 billion.

But simply counting computers doesn't tell the whole story. Even where statistics on computer access are similar for different types of students, students of color and poorer students are far less likely to receive high-quality computer-based instruction. Instead, they're more likely to learn basic skills, such as typing. A 1992 study by *Macworld* magazine reported that, on average, training in keyboarding and programming constituted 30% of computer use in high schools. But in many poor schools the figure was closer to 60%. In other words, while students in some wealthier schools learn to surf the World Wide Web or to design buildings using computer-assisted design techniques, students in some poorer schools are being prepared for data-entry jobs.

In many schools that serve predominately poor and minority students, "student skill levels are typically lower, so administrators and teachers see their priority as building basic skills," said Leigh Zeitz, director of technology for the College of Education at the University of Northern Iowa. This creates "an increasing schism," he said. "They assume that low-income kids aren't going to be going for CEO jobs. They're well-intended but shortsighted."

In many cases, these schools use computers to run students through long, repetitive "drill and kill" exercises, such as lists of math problems. These do little or nothing to promote a student's intellectual growth or computer literacy but can raise test scores a few points and thus provide school officials with some political benefit. Unlike students, computers never get bored, making them "very useful for that type of material," Zeitz said.

Even teachers committed to promoting high-quality instruction for all students often fail to use technology effectively. The Office of Technology Assessment blames this on a lack of effective and meaningful teacher training. "When teachers' needs are discussed, the focus is often on providing short-term, one-shot training to familiarize teachers with a specific application or encourage general computer literacy," OTA's 1995 report said. "Seldom have policy discussions or initiatives centered on the relationship between technology and the teacher's role. Seldom have they articulated a vision of how technology can empower teachers to carry out all parts of their job — not only the teaching, but administrative tasks, communication with parents, and continuing professional development."

The typical teacher "has about 10 hours of staff development training on technology," said Lawrence L. Smith, chairman of the department of elementary education at Ball State University. "They need probably 1,000 hours to be up on what's out there now." And the situation will grow worse, he said, as new technologies are developed and become available. "I tell people, hang on to your hat; you haven't seen anything yet!"

Another critical factor in the equity equation: access to the computer/Internet infrastructure now being developed by various private companies and public agencies. These systems will transmit data to consumers through massive new networks of fiber-optic cables and other hardware, which com-

munications companies now plan to install in cities across the nation.

Some consumer advocates have accused private firms, notably the "Baby Bell" communications companies, of intentionally bypassing low-income and minority neighborhoods as they begin to hook up these new systems, a practice dubbed "electronic redlining." In May 1994 the Washington-based Center for Media Education accused several regional phone companies, notably U.S. West's operations in Denver and Ameritech's in Chicago, of hooking up wealthier neighborhoods while ignoring less lucrative markets. Officials with some of the accused companies angrily denied the charges. But some officials did admit that these networks would be deployed earlier in neighborhoods judged to be better, more profitable markets.

"The real issue is: When these services move beyond the testing stage, will they still be targeted primarily at affluent areas?" Eli Noam, director of the Columbia University Business School's Institute for Tele-Information, told the *New York Times*. "We still don't have a clear policy to deal with how advanced electronic services are going to be supplied to places where the market does not [do so] on its own, or how we as a society are going to pay for it."

"Market forces alone won't ensure that schools will have access to the coming wave of information technology," said Reed Hundt, who chairs the Federal Communications Commission. "If the natural working of the marketplace was going to build networks into the classrooms, then it already would have happened," he said in a 1995 interview with *Education Week*. "Without a specific policy, it's not going to happen."

Also worrisome is whether the skewing of these networks to upscale commercial audiences will put more emphasis on profitable, but less noble, uses for the technology. Will service providers, for example, invest money in staging interactive town meetings or providing access to data in government and university archives? Or will they use the new technology merely to offer hundreds of new TV channels, shopping opportunities, and other money-making services to consumers with disposable income?

LOREN SANTOW/IMPACT VISUALS

DEREGULATION

The deregulated development of this infrastructure creates other problems as well. In Wisconsin, for example, the Baby Bell company Ameritech agreed to provide fiber optic cable access to schools, hospitals, libraries, and other community resources as part of its lobbying effort to win approval for changes in state law that removed some pricing and service regulations.

After Gov. Tommy Thompson signed the bill into law in July 1994, Ameritech "clarified" its position, saying it would run wires "to the doorstep" of 461 sites in its service area, including middle schools and high schools, but not to any of the 1,200 elementary schools. Ameritech believed that older, more sophisticated students would get more use out of the advanced data transfer technology made possible by fiber optics, said Flamont Butler, a spokesman for the company's Wisconsin operation.

Several prominent public officials protested the move. Ken Cole, president of the Wisconsin Association of School Boards, referred to it as an example of "bait and switch" tactics, a charge Butler denied. Finally, Ameritech agreed to provide cable access to elementary schools, but only if a particular school sent a "letter of intent" indicating its plans to invest in new technology, Butler said.

Cole's response to Ameritech's decision was lukewarm. "Access for all elementary schools would make more sense, given the importance new technology will play in the lives of the youngest school children," he said. "They're going to need it a lot more than you and me." ■

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QUOTABLE QUOTES

We need more money for teachers' training and salaries, and for laboratories. But all across America, school-bond issues are regularly voted down. No one suggests that property taxes be used to provide for military budgets, or for agriculture subsidies, or for cleaning up toxic wastes. Why just education? Why not support it from general taxes on the local and state levels? What about a special education tax for those industries with special needs for technically trained workers?

Carl Sagan, *The Demon-Haunted World.*

Free the Internet!

Learning all that computers and other technological innovations have to offer is essential if children are to be given an equal chance at taking advantage of the 21st century. But equal access to information is also fundamental to democracy. Such a perspective may not seem obvious in these days when conglomerates such as Time Warner and Disney control our news organizations, but it is one our Founding Fathers clearly understood.

Benjamin Franklin wasn't this country's Postmaster General because he was good at delivering mail — it was because he believed that the widespread circulation of information and opinion was a bedrock of self-governance. George Washington wanted newspapers and periodicals delivered for free not because he was outlandishly charitable, but because, as *The Nation* has noted, he believed that the postal service was "the circulatory system of democracy."

Technology has changed drastically from the days when Paul Revere's horse rode the information highway. But the basic principles of democracy have not. If all citizens are to be equal players in our democratic political structure, even in theory, they must be allowed full access to information and policy debates.

It is in this context that we believe that educators must fight for universal access to the 21st century equivalent of the postal service: the Internet.

The computer-based telecommunications industry is still in its infancy, and policies established in the next few years will set precedents for generations to come. Already, debates are raging among corporate interests about how best to make money off the Internet. Their concern has little to do with democracy and everything to do with profits. Some 50 years ago, the public airwaves were turned over to private interests for the profit-driven development of the emerging broadcast media. That decision had fateful, and largely negative, consequences in terms of corporate control of information and public debate. Similar decisions are about to be made about the development of on-line media.

All citizens should have a fundamental right to Internet access — just as they have a right to a mail service, to electricity, to phones, to highways, and to decent sanitation and drinking water.

IMPORTANT ALLIES

Educators, librarians, and all those who believe knowledge is more than a mere commodity have important allies among technology buffs. As William Gibson, who coined the word "cyberspace," argued at a recent technology convention, providing free access for public schools to the Internet "may well represent nothing less than this nation's last and best hope of providing something like a level socio-economic playing field for a true majority of its citizens."

It is time to develop demands for universal and equal access to the Internet. Some possibilities:

- Telephone companies, as a condition of their licensing, should be required to provide all schools and all public libraries with unlimited free access to the Internet.
- Computer companies should be required to provide free Internet software, on demand, to all schools and all public libraries.
- Telecommunications companies and information service providers should pay a special tax that will provide the tens of billions of dollars it will take to buy computers for our schools and libraries, train staff in their use, and rewire schools and libraries so that they are linked to the Internet.
- All citizens should have access to the Internet. Those who cannot afford personal computers should have access to terminals in public places such as libraries, restaurants, churches, shopping malls, and schools. Services at libraries and schools should be free and at minimal cost in other locations.
- The cost of on-line services should be regulated, with on-line access available as an automatic part of basic phone service.

No one knows where the cyberspace revolution will lead. But everyone knows it is here to stay. Just as students have a right to books and libraries, they have a right to free Internet access. As we prepare to enter the 21st century, let's not leave our democratic ideals behind. ■

KATHY SLOANE

A RETHINKING SCHOOLS PERSPECTIVE

Different Districts, Different Worlds

Money talks, says the old cliché. But these days it doesn't necessarily speak the same language in every school district. In fact, the very different ways money matters present themselves in different communities reveal a lot about the complicated meaning of things like "quality" and "equity" in public education.

Montclair, New Jersey, where my daughter attends high school, is a "middle district" in a state that's been under court order to equalize education funding for two decades (see article page 4). The town of 38,000 (including 65% white, 29% Black) is not poor enough to receive funds from court-ordered reforms, not wealthy enough to raise what the richest districts do. With limited commercial property, its residential property tax rates are high.

Still, Montclair takes pride in its reputation for "good schools." It has a districtwide public magnet system that provides relatively high-quality education to a multi-racial, multi-class community. As a rare, integrated system in a state with the fourth most-segregated schools in the nation, Montclair is often cited as a model of how multicultural schooling can work. It offers parents districtwide choice within the public system — the result, not of a voucher scheme to promote competition between schools, but of a sustained townwide commitment to voluntary desegregation, including an extra million dollars a year in transportation costs. Montclair also instituted full-day pre-K, though it wasn't mandated by the state, because it was just the kind of program needed to help equalize discrepancies in readiness among kids and help integrated public education succeed.

But lately Montclair schools have been showing signs of stress. State and federal funds, which in 1980 supplied over 30% of school costs, now provide about 15%. Federal support for the magnet desegregation plan has dropped from $2 million to nothing. The one small state program of desegregation aid that existed was completely eliminated in 1995. At a time when many New Jersey politicians are proposing special subsidies to private and charter schools, Montclair receives no extra funds to help pay the estimated $3.5 million a year in additional costs it takes to operate an integrated magnet system of public school choice.

STAN KARP

PRIVATIZATION

The pre-K program is on the road to privatization. While tenacious community and parent groups are still fighting to save it, current plans call for cutting enrollment in half next year and eventually replacing the program with a non-public, tuition-based system. A surge in enrollment (including an influx of families actively seeking quality integrated public schools) has pushed some K-12 class sizes over 30. In the past 10 years, enrollment has climbed over 15%, while staffing has dropped 2.4%. Administrative costs per student are low, over 30% less than allowable state caps, and considerably lower than in nearby districts of comparable size and composition.

Recent budget battles have been especially contentious. The mayor, who campaigned as a fiscal watchdog, is intent on imposing budgetary "discipline." Many elderly residents and others on limited budgets, threatened by rising taxes, are sympathetic. (Less than 25% of the town's households have children in public schools.) Taxpayers groups and supporters of the school budget have waged heated opposing campaigns in the local newspapers and at school board and council meetings. Typically, recent budgets have been austere, avoiding the most disastrous cutbacks while putting further strains on the system, delaying needed initiatives, and setting the stage for future battles likely to keep the town divided.

At the same time, the problems Montclair schools face are growing more difficult. Tracking and gaps in achievement between white and African-American students have become contentious public issues, yet programs designed to equalize achievement have been squeezed out of the budget. White flight and middle-class Black flight from public to private schools are growing. Issues of racial polarization and concerns about violence haunt community debates over school policy and spending. Recently these came to the fore when two youths who attended the high school were arrested for a carjacking and the shooting of an elderly woman, and then again, when four people were killed at a

BY STAN KARP

neighborhood post office in a brutal crime that shook the town. In response, 200 residents volunteered on a weekday to meet with middle- and high-school students in their schools to discuss issues of violence and racial tension. Rarely has the central role of schools, as one of the few places where the population still meets to a common purpose, been made so plain. Rarely has it seemed so obvious that we need to invest more resources in making quality, integrated public education work, not simply as a matter of equity but as an act of social self-defense.

As difficult as things sometimes seem in Montclair, however, they are light-years away from conditions in Paterson, where I teach. In fact, when I attend meetings or listen to discussions of school issues in Montclair, I often can't help thinking, "You should come to work with me in the morning."

Paterson is one of the "special needs" districts identified by the state Supreme Court as the victim of long-standing and systematic inequity in school financing. It is also a "state takeover district," having been seized by the state five years ago for "educational bankruptcy" that included low student achievement and fiscal mismanagement.

In Paterson, there is no pre-K to cut. The district doesn't yet have full-day kindergarten. The city has needed a number of new elementary schools for a generation. Five of the schools still in operation were built in the 1800s, but there are no funds for construction. For several years, 400 Paterson students have been bussed to a nearby suburb where an unused school is rented. (When the arrangement was first made, anonymous fliers appeared in the host town warning local residents that "use of the school means use of the pool.") Many parents and city officials want to find alternative space in Paterson, but with the city's schools all near capacity and 2,000 new kindergarteners expected in the next five years, no solution is in sight.

A steady stream of negative press records the district's struggle to measure up to the state's tests and monitoring standards. As many as half the seniors in my high school may not graduate in June because they haven't passed the high school proficiency test, despite years of test-driven instruction and targeted remedial programs.

Paterson students also confront issues of violence and racism, and on a scale much greater than in Montclair. But when a white housing policeman shot a Black high school youth in 1995 and sparked days of angry protests and tension in the city, the schools, with minor exceptions, were marginalized, hardly in a position to serve as common ground on which the community might come together. For the most part, Paterson schools have little of the kinds of community ties and parent participation that Montclair sees regularly. The hard lives of most Paterson parents make an investment of time and energy difficult, and the schools have not done enough to make such participation easier.

Both Montclair and Paterson schools need improvement — but on a scale so different as to make comparison in terms of per-pupil spending essentially meaningless.

(The state takeover which replaced the elected board with a state-appointed superintendent and included no governance reforms to empower parents hasn't helped.) Moreover, drop-out and truancy rates are so high that many of the youth closest to the violence and turmoil of Paterson streets are completely beyond the reach of the city's schools.

Yet today, as a result of court-ordered reform, Paterson, one of the state's poorest areas, now actually spends more per pupil than Montclair. Though this has been true only for a few years, and doesn't begin to compensate for the years of neglect or the dilapidated state of the system's educational plant, it does raise a thorny question: What exactly does it mean to promote equity between schools in places like Montclair and Paterson?

The answer begins with a harsh generalization. Montclair's schools, for all their problems, work; Paterson's don't. Most, if not all, of the children in Montclair schools succeed in more ways than they fail. In Paterson, the opposite appears to be the case. In Montclair, problems are identified and often, if not always, addressed effectively; new programs are designed and many succeed. Constructive staff development, creative curriculum reform, and thoughtful detracking initiatives can all be found, if not everywhere, at least in significant measure. In Paterson, by contrast, the problems seem overwhelming and crisis management is the usual order of the day. Reform is fitful, top-down, and incoherent. The central office seems remote and hopelessly bureaucratic. Standardized testing and preparations for outside monitors drive much of school policy at both the district and building levels. Public Relations puts a feeble positive spin on persistent failure, leaving staff alternately cynical and defensive. Inadequately prepared teachers struggle in isolated classrooms with little support and a lack of direction.

Both Montclair and Paterson schools need improvement — but on a scale so different as to make comparison in terms of per-pupil spending essentially meaningless.

To use a health care analogy, Montclair's schools face a number of potentially serious conditions which will get worse if not treated and certainly pose a threat to the patient's well-being. But therapies are available, and cost-effective if delivered in time. And the patient, essentially healthy, has many resources that can aid recovery.

Paterson schools, however, are on life support. They have reached a stage of catastrophic collapse brought on by years of neglect, the failure to take preventive measures, and virulent social diseases, like poverty, violence, and drugs, that make restoring educational health difficult if not impossible. At this stage, almost all treatments are astronomically expensive and none guarantee success. (What's more, faith in the doctors in charge is shaky, and quack remedies abound.)

Both of these patients need to be saved, but the costs of doing so, quite obviously, are very different. The challenge is to find public policies that address the needs of each, and thereby serve the interests of all. ■

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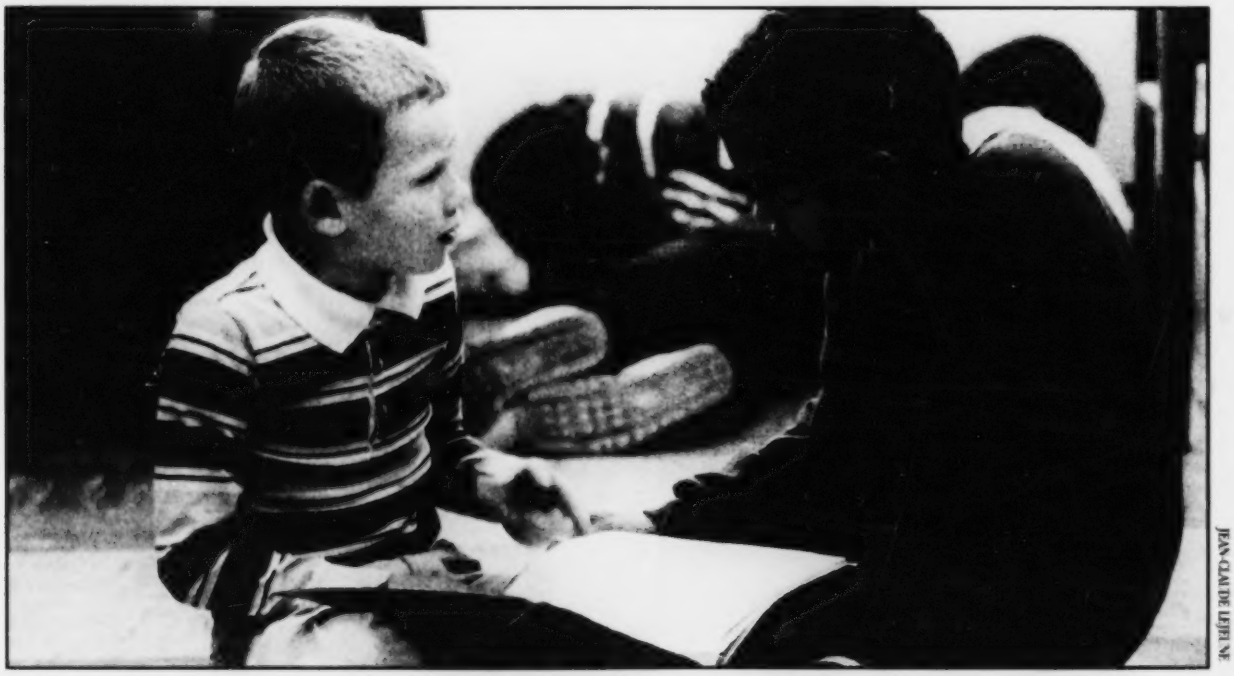

JEAN-CLAUDE LEJEUNE

Tackling the Controversy Over Special Education

Special education is expensive; there is no doubt about that. In New York City, special education absorbs one quarter of the city's school budget. And special education is big business: one out of every eight children in New York City's public schools is classified as handicapped, more than double the number 12 years ago, and fully three-quarters of the handicapped are classified as "learning disabled" or "emotionally disturbed." But many people aren't convinced that money for special education is money well spent. Consider the following:

• The ways in which children are categorized and labeled are bizarrely inconsistent: you can have a label in one district and not in another.

• A huge chunk of the special education budget is spent on assessment (in New York City an estimated $3,000 a year per child is spent for screening children into special education), although the relationship between such screenings and the subsequent provision of appropriate services is weak at best.

• Special education funding laws have led to costly lawsuits as parents and schools struggle against one another about what constitutes a "free, appropriate, public education in the least restrictive environment" as demanded by the 1975 law, now revised and known as IDEA (Individuals with Disabilities Education Act).

• Special education is largely ineffective at helping students rejoin the mainstream; only 5% of New York City's special education students ever come back to regular classrooms, and only 17% graduate from high school.

• Providing services through a separate system of special education contributes to the deskilling of regular classroom teachers, convincing them that "it takes a special person to work with those children," hardly an encouraging base from which to return children with disabilities to regular classrooms.

• Special education is highly stigmatizing; many children suffer as much from the label and the separate schooling as from their original learning or behavioral difference. And "typical" children do not learn how to work with and accept differences; they learn that children who are different are best served "away" from others.

• There is little about special education that is special. Where there is good teaching that goes on in special education classes, it is simply that, good teaching — individualized, student-centered, hands-on, and motivating, just the kind of teaching we like to see in typical classrooms.

Given all of the above, it's easy to see why many call for the elimination of special education programs; too much money is being spent on too few children (or too many), so eliminate the program. But simply closing

BY MARA SAPON-SHEVIN

down programs for students with disabilities and throwing them back into already over-crowded regular classrooms with teachers who feel neither prepared nor (often) enthusiastic to face this challenge is no solution. Although we can unlabel children, the real differences that are responsible for their learning and behavioral problems cannot be mandated away, nor can the regular classroom's conditions (overcrowding, inflexible curricula, low expectations) which contributed to students' failure be instantly altered. The United Federation of Teachers' Vice President, Carmen Alvarez, responded angrily to a week-long exposé, in the spring of 1995, in *The New York Post* that claimed that hundreds of millions of taxpayer dollars were being "wasted" through the city public school system, and called special education a "$1.7 billion boondoggle — an expensive dumping ground for city school kids with behavior or language problems."

"To blame the disabled for the city's shabby treatment of general education is lower than low," Alvarez wrote. "[They've] framed the issue in a way that pits the needs of special ed children against general education students. They would like you to believe that money spent on special ed is robbed from the rest of the students. I'd like to know where it is written in stone that the city can only spend $5,000 per pupil on general ed? Did the *Post* reporters ever stop to think that if more money were spent on general education, it just might result in fewer referrals? We've been arguing for years to redirect resources and services and make the investment in general education so that kids can survive in mainstream settings."

Framing the debate as one between general education and special education masks another reality, often unspoken. Demands to cut services for students with disabilities are often rooted not in a desire for efficiency or sound financial management, but in deeply held beliefs that there are certain children in our society who are "worth" spending on and those who aren't. Proponents of gifted education programs often cite how much is being "overspent" on students with disabilities as justification for funding their programs. Educational triage. Who matters? Who will we educate? Emotional appeals are used the other way, also: We can't rethink special education or the ways in which funds are allocated because we'd be taking money away from children with disabilities. The guilt mentality is summoned in defense of poor programs: "How dare you question the system? You must have bad attitudes towards kids with disabilities."

ASKING HARD QUESTIONS

The result? A virtual paralysis in some places, and an inability to ask and respond to the hard questions. Here are some of those questions and ideas on how this debate could be reframed:

What would it take to reorganize our school systems so that all children were provided with a high-quality education without needing to label them first?

What changes in federal and state laws, funding formulas, and regulations would allow schools and teachers to think creatively about how to provide instruction to diverse learners?

Demands to cut services for students with disabilities are rarely rooted in a desire for efficiency or sound financial management.

What can we learn from who gets labeled (more boys than girls, children from poor homes, non-native English speakers) and what labels are used ("learning disabled" and "emotionally disturbed")? What does this say about the deeply embedded flaws in our current educational system: racism, sexism, the effects of poverty on school achievement? In answering such questions, how can we use that knowledge to improve our schools and work for broader societal change as well?

What is the relationship between screening, assessment, and teaching? What kinds of assessment actually help teachers know how to teach better, rather than how to label with what appears to be more precision?

What political and economic climate has resulted in a situation in which various entitlement programs (special education, bilingual education, gifted education) have to fight among themselves for funds and programs?

How can reorganization efforts take place which do not result in teachers' groups and unions viewing such efforts as linked (or actually having them linked) to challenges to their job security and continued employment? (It's very hard to think well about how to change things if your job is on the line.)

How can schools implement inclusion programs that result in the development of cohesive school communities which serve all children well, rather than in dumping children back into general education classrooms with no support and little or no teacher preparation?

How can federal, state, and local agencies encourage innovative restructuring plans and still guarantee a reasonable measure of accountability? Is it safe to turn over all special education funds to the general fund if safeguards and rational decision-making can't be assured?

How can we prepare and support all teachers so that they are capable of meeting the needs of a diverse student group within a single classroom? What kinds of support do teachers actually need in order to do this? Planning time? Controlled class sizes? Professional development? Additional personnel in classrooms? Administrative support?

Is money an issue? Certainly. Money is always an issue. But let's ask, how money is spent? On whom? By whom? And with what intent? Let's also ask about the relationship between general education funds and special education funds and how these could be reasonably merged, recognizing the educational needs of every child and eliminating the need to label. As long as the debate is framed solely around money, rather than around quality education, then we will continue to create winners and losers. And — speaking of money — we can't "afford" losers, educationally, morally, or even economically. ■

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Michigan: Tax Relief Fails To Guarantee Funding Equity

KALKASKA, Mich.— Sandwiched among the pine forests and trout streams of northern Michigan, the well-maintained schools of Kalkaska seem to belie the stereotypes that surround a financially strapped school district. But the district garnered international attention on March 24, 1993, when its schools closed. Faced with voter rejection of property tax increases needed to keep the 2,300-student district going, the school board decided it would rather shorten the school year than cut the heart out of the district's programs.

"We had enough money to go the full year, but only if we wanted to decimate everything from athletics to calculus," Kalkaska Superintendent Doyle Disbrow told *Rethinking Schools*. "We chose not to do that. We decided that all of our programs were important, in fact more important than going for 180 days."

AMY E. ROBERTSON/LAND PRESS

A Kalkaska student jumps a closed school's fence for baseball practice.

MICHIGAN MAKES NEWS

The Kalkaska situation highlighted the national crisis in school financing and helped propel an overhaul that replaced local property tax funding of schools with state funding. The Michigan reform made national news as a possible answer to the crisis in school funding. The *New York Times* called it "the nation's most dramatic shift in a century in the way public schools are financed." Wisconsin, in particular, looked to Michigan when in 1995 Gov. Tommy Thompson likewise promised taxpayer relief and increased state funding of schools (see article page 50.)

The schools are open again in Kalkaska. Despite the new system, however, funding problems continue.

"The bottom line is that the legislature underfunded the reform from the beginning. And that has not changed," argues Michael Boulus, professor of school finance at Michigan State University and the executive director of the Middle Cities Education Association.

Michigan's finance reform was passed by the legislature in 1993 and approved by voters in March 1994. The reform made schools less reliant on local property taxes and included some additional funds for schools based on the number of students receiving free federal lunch. Almost overnight, Michigan went from being one of the states most dependent on property taxes to one of the least.

In terms of funding equity, the reform immediately bolstered spending for the lowest-spending districts, kept the middle-spending districts about the same, and reduced increases for the highest-spending districts. Low-spending districts currently receive per-pupil increases every year that are about twice as much as increases for middle- and high-spending districts, which

BY BARBARA MINER

receive a flat amount.

While the worst of disparities were reduced, they were by no means eliminated. Perhaps more important is the issue of adequate funding. As part of its landmark legislation, Michigan restricted increases in school budgets. Further, the state monies are based primarily on an increase from 4% to 6% in the sales tax, a less stable form of funding than property taxes. Michigan has enjoyed a robust economy in the years since the funding reform passed. But educators worry that a downturn in the economy will reduce sales tax revenue going to schools and will pressure the legislature to skimp on providing money to meet inflationary school costs.

"It's a legislative call from one year to the next," notes Mike Addonizio, associate professor of educational administration at Wayne State University in Detroit.

To understand the Michigan's school funding reform it is essential to realize that it was fueled by anti-tax sentiment, not with concern over education. Equity considerations were tagged on due to intense lobbying and to broaden support for the overall reform. "Reduction in property taxes was the major goal of the tax-structure aspect of Michigan's finance reform, and the legislature achieved that objective," notes Hank Prince, associate director of the Michigan House Fiscal Agency.

Boulus cites the following statistics to argue that the Michigan reform has not delivered adequate funding or sufficient equity:

• In 1995-96, 65% of Michigan's students lived in districts that did not receive increases in spending to compensate for inflation.

• The reform does not make adjustments for increases in enrollment. In 1997-98, for example, state revenue to K-12 schools is due to increase 4.1% overall. But because there is an expected 1.5% growth in the number of students, the resulting per-pupil aid will be only 2.58%, or $137 per pupil. "And that," says Boulus," does not meet escalating costs, retirement benefits, social security, health insurance costs, and so forth."

• As part of the reform, Michigan set a targetted minimum in per-pupil spending. After three years, there are still 270 out of 524 districts (470,000 out of 1.6 million students) who are below the targetted minimum of $5,300.

Boulus is also critical of the reform because of its "rob Peter to pay Paul" approach to education. Because of the reform, state aid to Adult Education has been drasatically reduced and there have not been increases in pre-school funding.

After three years, Michigan has kept its promise of property tax relief. But it has stumbled on its promise of adequately funding public schools.

Nor does Michigan's finance reform provide state dollars to replace and/or fix up the state's 3,426 school buildings.

"There has been a lot of talk about bringing technology into the schools," Addonizio told *Education Week*, "but we haven't had any serious discussion at all about the lack of state participation in captial projects at the district level."

EQUITY AND FUNDING

Under the finance reform, the legislature guarantees a basic per-pupil allowance for each district, known as the foundation grant. In addition, a district may receive additional funds known as categorical aids for "at-risk" students, special education, transportation, bilingual education, and so forth. The foundation grant for low-spending districts was immediately raised to $4,200. The foundation grant of $5-6,000 for schools in the middle range did not change significantly. For high-revenue districts, increases were allowed but they had to be funded by local property taxes, not state funding.

"The local districts in Michigan that had been historically very low in terms of per-pupil expenditures have enjoyed significant increases in their school resources," according to Addonizio. "The traditionally high spending districts, however, have had their revenue growth slowed down considerably."

The main beneficiaries of the finance reform have been the rural districts at the bottom of per-pupil spending and not the urban districts, which tended to be in the middle of per-pupil spending. "The majority of the Republican leadership are not urban, they are rural legislators," notes Eleanor Dillon, political and legislative director for the Michigan Federation of Teachers. "And so they were looking after their own."

While funding equity has improved, significant disparities remain. In 1996-97, the range of per-pupil core revenue ranged from a low of $4,816 to a high of $10,762, for a difference of $5,964, according to the Michigan House Fiscal Agency. If one looks at districts in the 5th and 95th percentiles, which provides a more representative snapshot, the difference drops to $2,974. Before the reform, the difference between the 5th and 95th percentiles was $3,646, adjusted for inflation. (Core revenue does not include special monies for programs such as special education and bilingual education.)

The reform's biggest effect was on local property taxes; while not eliminated, they were significantly reduced. The final package, however, implemented a state tax on all property — the first ever — and a local tax on "non-homestead" property such as rental property, second homes, and commercial and industrial property. Before the reform, approximately 60% of the school funding came from local property taxes. Afterward, in the 1994-95 school year, only 19% of school funds came from local sources, according to an anlysis of the reform by C. Philip Kearney of the School of Education at the University of Michigan. About 75% came from the state and 6% from the federal government.

Observers underscore that Michigan did not base its reform on a tax cut but a tax shift. But the public, whose anger had been focused on property taxes, viewed the change as tax relief. With the reform, emphasis on education has moved from funding to initiatives such as charter schools and standards.

A number of educators would like to maintain a strong focus on equity.

"The difference between the top and the bottom will not be as severe but it will be maintained," argues Disbrow. "The poor will stay poor and the rich will stay rich, relatively speaking." ■

Wisconsin School Funding: 'Robin Hood in Reverse'

The Wisconsin state legislature adopted a seemingly radical plan several years ago to significantly increase state funding of local schools. But in so doing, it played "Robin Hood in reverse" and funneled increased monies into wealthy districts.

"Instead of trying to equalize funding for schools, the entire legislative focus shifted to property tax relief," said Karen Royster of the Institute for Wisconsin's Future (IWF), a policy research center. "Furthermore, there was an emphasis on more tax relief for rich districts than for poor districts. It was Robin Hood in reverse."

"People think that the expansion in state funding is being used to increase the amount of money that poor schools get," Royster continued. "It's not. Instead, it is being used to reduce property taxes, especially in property-rich districts."

Seizing upon popular discontent with property taxes, in 1995 Republican Gov. Tommy Thompson proposed and the legislature adopted a plan to increase state funding of schools to 66%. The measure was designed to reduce local school property taxes but school funding advocates had hoped it might also improve the state funding formula and lessen funding inequities.

After the bill passed and the smoke cleared, it became apparent that the new funding mechanisms exacerbated taxing disparities between property-rich and property-poor school districts and left funding inequities untouched.

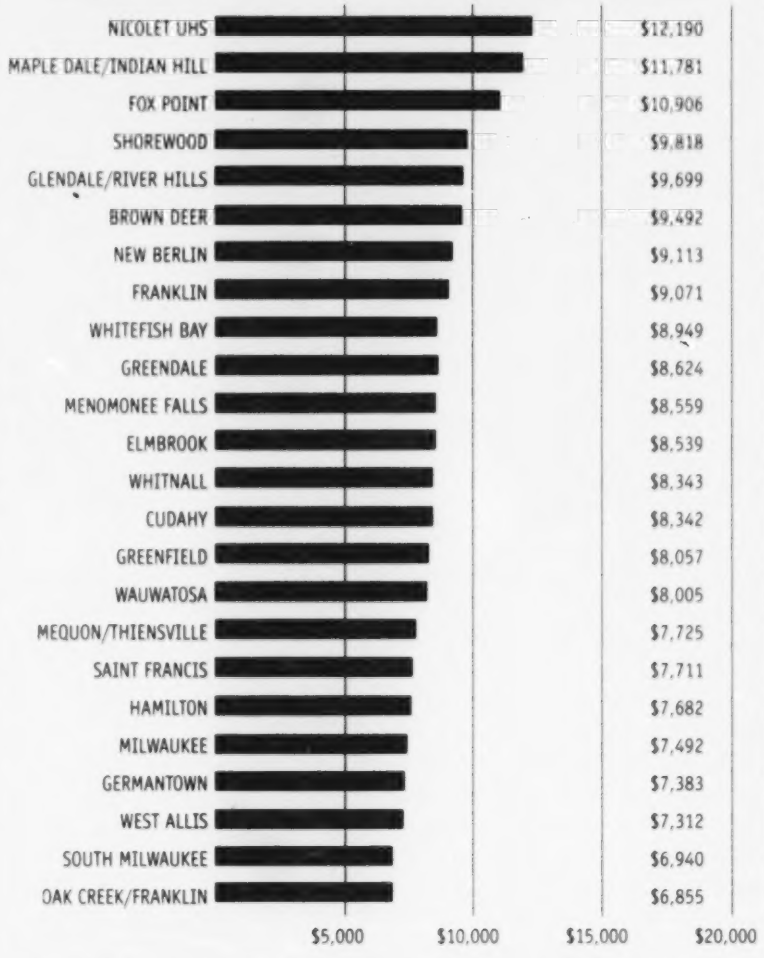
In essence, the new funding formulas pumped disproportionate increases in state money into wealthy schöol districts, in particular affluent Republican suburban districts that already had a higher-than-average level of spending on schools. Those districts, in turn, were better able to reduce local property taxes. (Due to spending caps, none of the state's 426 districts were able to significantly change their per-pupil funding.) The Milwaukee area provides a good example. For the Milwaukee school district, general state aids increased only 20%. In districts in suburban Milwaukee, there was a 58% increase, with some receiving increases of 148%, 132%, and 127%, according to an analysis by the watchdog group the Public Policy Forum.

It wasn't just changes in the funding for-

BY BARBARA MINER

INEQUALITY IN THE MILWAUKEE AREA

Spending Per Pupil in the 1994-95 School Year, CASC*



* Complete Annual School Cost (minus transportation costs) Includes all districts. The top five, with the exception of Shorewood, are not K-12 districts.

Source: Wisconsin Department of Public Instruction 1995-1996
Basic Facts About Wisconsin Elementary & Secondary Schools

mula which made the taxing inequities worse. Homeowners in high-spending districts also received more tax relief through school levy tax credits, which are based on a district's property tax revenues.

IWF has launched a statewide information campaign about the disparities. In addition, a coalition of school districts is working within the courts and the legislature to increase funding equity. The Association for Equity in Funding, with over 100 districts mostly in urban and rural areas, filed suit in 1995 arguing that the state's school finance system is unconstitutional because it does not provide for a "uniform system" of education. A trial on the suit was to begin in February 1997 (see Resources, page 58).

The fundamental problem is that property-rich districts are able to spend more money per pupil while taxing residents less. This is due primarily not to the income of residents in a community but to the amount of taxable property.

A district's tax base is determined by dividing the total assessed property value by the number of school children. In 1994, for example, the tax base available in Wisconsin school districts ranged from $73,946 in property value for each child to $1.28 million. Those districts with a high property tax base, known as property-rich districts, can tax each homeowner less while spending more per pupil. Thus a resident in the property-poor district of Bowler must pay 300% more in property taxes to send their children to schools spending 50% less per child than in the property-rich district of Gibraltar.

"The legislature has decided that for the state's children, geography is destiny," Royster said. "We think that's wrong."

Bambi Statz, of the College of Business and Economics at the University of Wisconsin-Whitewater, has written a report that details the effects of the legislature's reform. The report, "Windfall for the Wealthy," found:

- The new funding plan disproportionately benefits wealthy districts. For instance, it redistributes over $19 million from moderate- and low-property districts to the state's 35 wealthiest districts.
- Taxpayers in the majority of Wisconsin school districts, 74%, are worse off under the new state formulas.

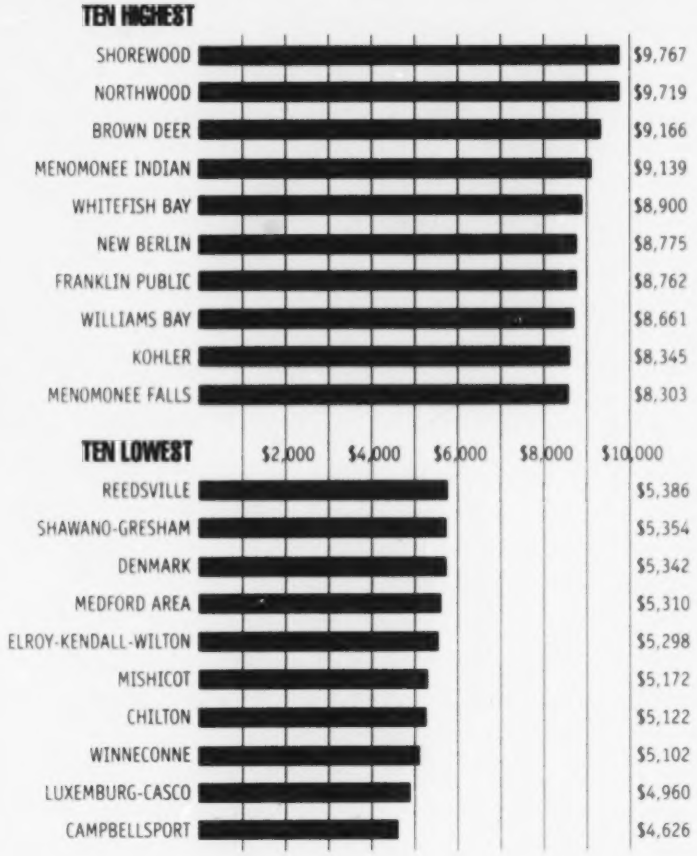
Criticisms of the Wisconsin reform also focus on adequate and equitable funding of schools. The concerns center on two areas. First, as part of the funding reform, Wisconsin permanently adopted school spending caps. Not only do the caps fail to sufficiently counteract higher costs but the allowable increase — $200 per pupil per year — is the same for all districts. Thus funding inequity is locked in rather than reduced.

Second, there is no guarantee the state will provide enough money for schools. Already, conservative legislators are warning of problems — in funding of schools and of other programs that may need to be cut in order to continue the state's share of school costs.

One state legislator, for example, is upset that many school districts are adding all-day kindergarten. Rep. Glenn Grothman (R-West Bend) has said, "If the state is going to continue to pick up two-thirds the cost of public schools, we may have to step in and prevent all-day kindergarten because we can't afford it." ■

WISCONSIN TEN HIGHEST- & LOWEST-SPENDING K-12 DISTRICTS

Spending Per Pupil in the 1994-95 School Year, CASC*



*Adjusted Complete Annual School Cost, per pupil, minus transportation costs, for the 1994-95 school year.

Source: Wisconsin Department of Public Instruction 1995-1996 *Basic Facts About Wisconsin Elementary & Secondary Schools*

Will Private Fund Raising Undermine School Equity?

Faced with ever-tightening budgets and ever-increasing need, schools across the United States are seeking charitable contributions as never before. In many parts of the country, sophisticated charity campaigns for schools, run by professional fundraisers, have become as commonplace as bake sales.

As the number of schools and districts receiving money from charitable foundations skyrockets, several concerns have arisen. Among them:

- Schools will be forced to compete with other charities, such as funding for the arts and health care, which also are being hurt by cuts in government funding.
- In some cases, donors with deep pockets are trying to exert greater influence over how schools operate, undermining elected school boards.
- Some schools are relying on charity to help meet the costs of basic programs, such as teacher salaries. This clouds the issue of how schools will be funded in years to come.

But the most serious issue is equity: How will this increased reliance on private charity affect the disparities between schools in wealthier areas — which almost always can raise more money — and schools in less wealthy areas? As schools rely more on this outside money, the question becomes more urgent.

OUTSIDE MONEY

Charitable foundations raising money for schools are springing up at a remarkable rate. In 1982, only about 15 public K-12 schools and districts received money from special foundations set up for their benefit, according to *The Chronicle of Philanthropy*. Today, more than 3,000 schools have foundations. A Michigan-based group called Educational Foundation Consultants estimates that nationwide, nearly 18% of U.S. schools benefit from funds raised by associated tax-exempt foundations. These foundations raise relatively small amounts of money, usually less than 0.5% of a school's budget. But schools can use these funds to make impressive program improvements because they can be concentrated in high-profile projects that have a direct impact on students.

Increasingly, however, schools are using money from charity to fund basic operating expenses, such as teacher salaries, in order to offset shrinking or stagnant government funding for schools. More than half the school foundations now operating in California, Illinois, Oregon, and Washington were created to compensate for declining tax revenues, according to a study reported in the January 1997 issue of *The School Administrator* magazine. In Massachusetts, more than half of the local foundations were started in response to a single tax-limitation measure known as Proposition 2. Of 219 foundations studied by the authors of the *School Administrator* article, 23 used their money to fund teaching positions, and 17 more spent money to raise teacher salaries.

Schools that serve poorer communities usually can't raise as much money from charitable sources.

Schools that serve poorer communities — where parents have less disposable income, less free time, and less community influence — usually can't raise as much money from charitable sources. In January 1995, *The Wall Street Journal* illustrated the problems this can cause by profiling two elementary schools in Washington, D.C. At Lafayette Elementary School, which served an affluent neighborhood, private contributions paid for a full-time art teacher, a science teacher, and a full-time nurse. Lafayette's fundraising group collected more than $100,000 annually. In one case, families of kindergartners were each asked to pay $200 to hire a teacher's aide, which the financially struggling district wouldn't provide.

Parents of Lafayette students were quoted as saying they would pull their children out of public school altogether if there was no way to provide extra funding for educational enrichment they felt was necessary. Sandra Bond, the school's principal, said she saw no reason why all parents, rich or poor, couldn't raise money or volunteer time at school. "With the budget crisis facing our nation ... parents will have to become more involved financially in the plight of their local schools," she observed. "They're going to have to do that if we're going to maintain a certain level of quality in our schools."

Meanwhile, at Clark Elementary School a few miles away, students had no art teacher at all and only a part-time nurse. The school's parent-teacher association had an annual budget of about $1,000, enough to fund a couple of award ceremonies and a parent volunteer breakfast. Clark's principal, Lydia Moss, lamented that she was unable to keep a PTA president for more than a year.

But Moss didn't see these problems as due to a lack of effort or interest by parents. "You've got folks who are receiving public assistance so they're not going to be able to give much," she was quoted as saying. "You have so many parents here coping with survival. Many of them don't see their children except on weekends. Many (children) have grandparents raising them."

RESISTANCE TO EQUITY

Some school districts have drafted policies to prevent inequities like those described in the *Wall Street Journal* article. Montgomery County, Maryland, for example, has banned outside groups from paying for instruction during regular school hours. Other districts have sought to pool money raised

BY LEON LYNN

by different schools and redistribute it more equitably. But that idea almost always provokes opposition from wealthier schools. Typical is this reaction from a PTA president in Fayette County, Kentucky, who in January 1996 told the *Lexington Herald-Leader*: "Each parent wants to help in the school where their child attends. If we went to central fund raising and every school put money into a central pot, we wouldn't have much support for that."

As an alternative, foundations with wealthier schools often offer to provide "technical assistance" to fundraising efforts in poorer schools. These offers are often draped in rhetoric about the need for parents to "work harder" for the sake of their children. But Les Anderson, principal of a poorer elementary school in Fayette County, told the *Herald-Leader* a story that suggests economic disparities between communities play a bigger role than effort alone. "In my first year here we had a rummage sale and a carnival. We made $213 total. We had 10-12 people work all day," he said. Meanwhile, a wealther school "had a carnival and raised $15,000, and nobody worked more than an hour and a half."

Some school advocates also wonder about the long-term impact of decentralization measures that encourage individual schools to augment their budgets by seeking grants for special projects. Some schools may be better positioned than others to tap the skills of their staff and parents to write such grants — and thus will receive additional funding for after-school programs, art projects, or tutoring/mentoring initiatives that all schools deserve.

LARGER ISSUES

It is important to note that some foundations, especially those that are districtwide, are more likely to focus on systemic reform and to avoid exacerbating funding disparities within a district. "We think the equity question is absolutely critical," said Wendy D. Puriefoy, president of the Public Education Network based in Washington, D.C.

The Public Education Network provides technical assistance to about 50 local education funds in more than 20 states, with annual budgets ranging from $60,000 to more than $1-4 million. Together these funds raise money for schools and districts serving 4.5 million students, almost 10% of the nation's public school population. Typically, a local fund will award grants for projects ranging from school-based health clinics and parent-involvement programs to professional development opportunities for teachers.

Local education funds also shun paying for teacher salaries and other basic expenses, concentrating instead on expenditures aimed at encouraging reform. In 1996, however, one of the network's affiliates, the Portland Public Schools Foundation in Oregon, broke from that position in rather spectacular fashion and led a campaign that raised $10 million to help offset $23 million in planned state funding cuts which threatened the jobs of hundreds of teachers.

The underlying purpose of the campaign was to build the community's political will to undo the damage of state funding cuts "and to send a message to the state's leaders that we have had enough," according to Cynthia Guyer, director of the Portland foundation. The governor has since declared school funding the state's number one priority, she said, and has pledged to work with the legislature to fix the system by 1999.

It remains to be seen, however, whether Oregon really will overhaul school funding. And other questions remain as well: Many in Portland are wondering what will happen this year without another $10 million campaign to provide extra money and whether state or local government will move to fill the gap.

Since most foundations are not districtwide but serve only a single school or group of schools, the equity issue remains critical. An education system increasingly dependent on the largesse of individual parents and other charitable donors will be hard-pressed to provide its poorest students with the high-quality education they deserve. ■

Leon Lynn (LeonLynn@compuserve.com) is an education writer living in Milwaukee.

SUSAN LINA RUGGLES

Commercialism Thrives As School Budgets Squeezed

School budget shortfalls may be detrimental to student learning but they're becoming a boon to businesses and ad agencies.

Anxious to target a captive audience of students with advertising pitches — often laced with misinformation or pro-business propaganda — more and more corporate interests are looking for ways to get a foot inside the schoolhouse door. Sadly, some teachers and schools, desperate for funding and resources, are accepting the intrusion of advertising and corporate-sponsored educational materials.

Businesses have become more creative in designing ways to bring ads to school children. Ads are popping up with increasing frequency on book covers "donated" to schools, billboards in school hallways, and placards that adorn school buses. Commercial messages also bombard students from piped-in TV and radio programs such as Channel One and Star Broadcasting.

While many students, teachers, and community members are resistant to advertising in schools, the money and other resources brought in cannot be overlooked. "I've had principals cry when I presented them their check at the end of the year," said a representative of Youthtalk Advertising Agency, a provider of in-school wallboard advertising.

Channel One and Star Broadcasting offer the use of equipment such as VCRs, satellite dishes, and color TVs for the duration of a school's programming contract. Star also allows schools to sell ad slots to local businesses. The Consumers Union, a nonprofit watchdog group that publishes *Consumer Reports*, estimates that a large school could raise an additional $15,000 this way.

But there may be costs of a different, more ominous kind involved. Early in 1997, for example, researchers conducting separate studies at Vassar College and Johns Hopkins University blasted Channel One as loaded with superficial, biased, and sometimes hurtful programming. Channel One is packaged to look like a news program, but "its real function is commercial, not journalistic," said Mark Crispin Miller, a professor at Johns Hopkins. "It is meant primarily to get us ready for the ads. It must keep itself from saying anything too powerful or even interesting, must never cut too deep or raise any really troubling questions, because it cannot ever be permitted to detract in any way from the commercials."

BY LEON LYNN

ADS AS CURRICULUM

The influence of free or low-cost corporate-sponsored educational materials is often hard to resist. As one middle school teacher told Consumers Union, "If it's free (and good) it's for me! Great, glossy, up-to-date, motivating materials ... are a heck of a lot better than the 1966 textbooks that many teachers are refurbishing to pass out each September."

In a 1995 study entitled "Captive Kids: A Report on Commercial Pressures on Kids in School," researchers with the Consumers Union evaluated more than 100 samples of materials sponsored by businesses and industry boards for accuracy, completeness, and objectivity. Nearly 80%, they found, were biased in favor of the sponsor's product. The researchers also judged more than half of the reviewed materials "commercial" or "highly commercial," meaning they featured prominent logos or product promotions. The most commercial included:

- A middle-school curriculum from the American Coal Foundation that suggested that perhaps "the earth could benefit rather than be harmed from increased carbon dioxide" emissions.
- Proctor & Gamble's "Planet Patrol," an activity packet for 4th-6th graders that claimed disposable diapers are safe for the environment because they can be composted, even though almost no landfills compost them.

Reach him at the office.
His first day job is kindergarten. Modern can put your sponsored educational materials in the lesson plan. If he's in your target market, call us at (800) 237-7114.
Modern

Ad from a New York marketing firm.

Other examples of corporate hucksterism in schools abound. Third graders are encouraged to learn math by counting Tootsie Rolls. Teachers are urged to help their students learn reading with computer software that features corporate logos from Kmart, Coca-Cola, and other sponsors.

In one particularly outrageous example, representatives from the drug company that manufactures Prozac gave a talk at a high school assembly on National Depression Screening Day.

"In the past, there was maybe more of a feeling that shameless promotion in school wasn't right, that you should keep education separate," said Gene Newman, an associate editor of a marketing industry newsletter called *Youth Markets Alert*, whose comments were included in a January 1997 article in the *New York Times*. "I think in today's business climate, that's definitely beginning to change." ■

Taking Action for Funding Justice

As my students and I organize another bake sale for a classroom project, I'm amazed at how much time it takes. If parents and teachers spent half as much time organizing to change inequitable funding formulas as we do on fund raising, we'd be better off.

Unfortunately, it's easier to bake brownies than to challenge long-standing funding patterns that benefit communities with political clout. Nonetheless, it's worth the struggle. The long-term well-being of our society depends on it.

Organizing around funding inequity is similar to organizing around other social issues. Success comes to those willing to educate themselves and others and to do one-on-one organizing, build coalitions, and persevere over the long haul.

The first step is to become familiar with the issues, from understanding complex funding formulas to knowing the specific differences between underfunded schools and those in affluent communities. There's nothing like a visit to a school with wonderful facilities to motivate teachers and parents from a less-affluent school.

BY BOB PETERSON

As to the more technical issues of formulas and budgets, school officials and sympathetic legislators can help. One must also find out what legislative or judicial initiatives are underway. Are they equitable enough and will they provide enough resources so that they are worth supporting? Or will activists have to find a sympathetic legislator to initiate new legislation?

As part of such investigation and organizing, it's helpful to become familiar with resources such as Jonathan Kozol's *Savage Inequalities* or Bill Moyer's special *Children in America's Schools* (see page 57).

The next tasks are broader education and coalition building. Comparing two differently funded schools through the use of a video, even if made with a family camcorder, can be useful. A few figures and a vignette or two can make for a passionate letter to the editor or opinion piece in your local newspaper. Contacting national organizations for information or contacts in your area is beneficial (see Resources, page 58).

The ultimate aim should be building a broad coalition of community, labor, business, and policy-makers that eventually has the political clout to affect state legislation.

Organizing around school funding offers challenging problems. Changing school funding formulas is often implicitly equated with increasing monies for children of color and thus one must somehow confront the racism that is part of funding inequity. Taking up this issue will also facilitate the formation of multiracial coalitions and encourage dialogue on other education issues.

However, while it is true that unequal school expenditures are often based on race, poor white — often rural — communities also suffer from funding inequities. In most states, legislative success will depend on building rural-urban alliances which challenge the suburban stranglehold on most state legislatures.

Regardless of how one approaches organizing on this issue, a long-term perspective is necessary. Changes in funding formulas rarely happen quickly.

One should also keep in mind that fighting for funding equity for public schools is part of a broader struggle to ensure that all families have health care, housing, and jobs that pay a living wage. Ultimately, it is around not only schools but around these broader concerns that our society will demonstrate whether it is truly committed to "liberty and justice for all." ■

Students Take to the Streets

J. KIRK CONDYLES/IMPACT VISUALS

An estimated 10,000 college students, high school students, and teachers protested proposed cuts in education in New York City on March 23, 1994. Thousands of police officers donned riot gear after tensions mounted when protesters were not allowed to march down city streets. The demonstration was against cuts proposed by New York City Mayor Rudolph Guiliani and New York Gov. George Pataki.

Fasting for Justice

Larry Hamm decided it was time for something dramatic. He was at a packed meeting in Newark, N.J., protesting the layoff of school employees and the prospect of more cuts if the funding formula pending in the state legislature was adopted.

"I decided spontaneously to start a fast," he recalled. "I wanted to do something that would call attention to the historic and continuing inequality in our public schools, to challenge the system that kept bringing us back to protest meetings where it always seemed that the decisions had already been made."

On Sept. 5, 1996, Larry Hamm began a fast, sustaining himself on just liquids and a few vitamins until the state legislature responded to a court-ordered deadline to produce yet another school funding formula. It was the latest round in a 25-year battle for funding equity in New Jersey schools.

Larry Hamm had been there at the beginning of the battle, too. As a 17-year-old high school student, he became the youngest member of the Newark School Board. Later, he led the statewide Anti-Apartheid Coalition, the New Jersey Rainbow, and the People's Organization for Progress, an activist community group in Newark. He also became the father of two daughters, now attending public schools. More recently, he became the state chair of the New Jersey Million Man March Coalition.

Hamm thinks that race is one of the central reasons it has been so difficult to achieve funding equity in schools despite repeated court decisions. "One of the problems," he explained, "is the urban question and the race question have become the same. And I think a lot of the resistance now to taking the necessary steps is that the urban schools have become in many areas predominantly Black and Latino. We have a kind of apartheid that exists in America. It's created a barrier that's made change even more difficult. We're separated, but we're still on the same grid. You can't just change the way schools are funded in urban areas, you have to change the way schools in general are funded."

Hamm thinks these divisions are part of a system that prevents most schools from getting the resources they need. "The middle districts are being set up against the poorest districts," he said. "A lot of them are really just working-class communities. They're not the rich, super-rich districts. And that's wrong. I think the whole way we're funding the schools pits those who have a little against those who have nothing. And those who have it all are benefiting. I don't want to take away from some to give to others. I want to create a situation where every child has the resources they need to achieve a quality education."

'I wanted to do something that would call attention to the historic and continuing inequality in our public schools.'
— Larry Hamm

As important as adequate funding is, however, Hamm said it is only a step toward educational equity. "Money alone will not change things, but you're not going to make the change without the money." Hamm would like to see extra funds used to improve teacher training, to reduce class size, and to support tutoring and other efforts to boost student achievement. "Unless you directly intervene in the instruction process, you're not going to see any real improvement," he said. "You'll always see individuals improve. But we're talking about why 50% of the kids who start 9th grade don't finish high school, or why by the time they reach the 12th grade you have a larger percentage reading on 5th grade level than you do on 12th. Unless there's massive intervention in the area of instruction, you're not going to see the inequality gap closed."

BY STAN KARP

STAN KARP

Larry Hamm.

Hamm was heartened and surprised by how much support he received as publicity about his fast grew. Some people joined him in fasting, others expressed support, wrote letters, or organized actions of their own to pressure the state legislature to act.

Ironically, in an echo of the delays that have dragged on for decades, the deadline for legislative action was extended by the court just as Hamm's fast was building to a head. Nevertheless, he chose to extend the fast to Oct. 16, the first anniversary of the Million Man March, which marked 40 days of focused attention and debate on the school funding issue.

Not surprisingly, the funding plan eventually passed in December by the legislature fell far short of assuring equity and is once again in the courts (see article, p. 4). But Hamm remains committed to the long haul.

"My fast doesn't make a movement," he said. "And what we're really talking about is building and strengthening a movement that's strong enough to win the things our schools and our children need." ■

Ohio campaign focuses on early grades

The Third Grade Guarantee

A statewide effort in Ohio offers an example of how broad-based organizing can encourage legislative action for educational equity.

The initiative, known as the Third Grade Guarantee, was designed to ensure that all children from kindergarten through third grade receive "a firm academic foundation and a healthy start by third grade" and be able to pass a state-mandated fourth grade "proficiency test." The fourth grade test is part of a series of state tests that are also given in the 6th, 9th, and 12th grades. Seniors who do not pass the ninth grade tests will not be allowed to graduate.

"It's time that Ohio directly confronts the failure of students to even graduate from Ohio's schools or pass all four of the mandated state proficiency tests," said State Representative C.J. Prentiss (D-Cleveland), who introduced the initative. "The Third Grade Guarantee will develop a firm educational foundation so that all of Ohio's children will be able to read, write, and think mathematically and scientifically by the time they take the fourth grade proficiency tests."

THE GUARANTEE'S GOALS

The Guarantee calls for the legislature to provide funding for the following programs in "at risk" districts:

- All-day, every-day kindergarten.
- A 15-1 pupil-teacher ratio in kindergarten through third grade.
- Professional development opportunities so teachers can effectively teach smaller classes.
- Parent training so that parents can understand the curriculum and help their children at home.
- A Family Resource Center within a cluster of schools so that families can get help in confronting economic and social problems. Each center would have a school nurse and a school social worker.

"At risk" districts are defined as those with a less than 70% high school graduation rate and where more than 25% of students qualify for free or reduced lunch; or where more than 40% of students qualify for free lunch. In Cleveland, for example, there is only a 27% ninth grade cohort graduation rate. It is estimated that 50 other school districts around the state qualify, including Toledo, Columbus, Dayton, Cincinnati, and Akron.

To mobilize support for the plan, Prentiss brought together a statewide coalition including over 20 members of the Ohio General Assembly, parent organizations such as the Ohio Parent Association of Head Start and the Coalition for Quality Education, school board members and superintendents from throughout the state, the Ohio Federation of Teachers, and other community groups. Although a 1995 petition drive to put the Guarantee on the state ballot fell short, it involved over 1,000 people around the state who circulated petitions and held community meetings to generate support for the plan.

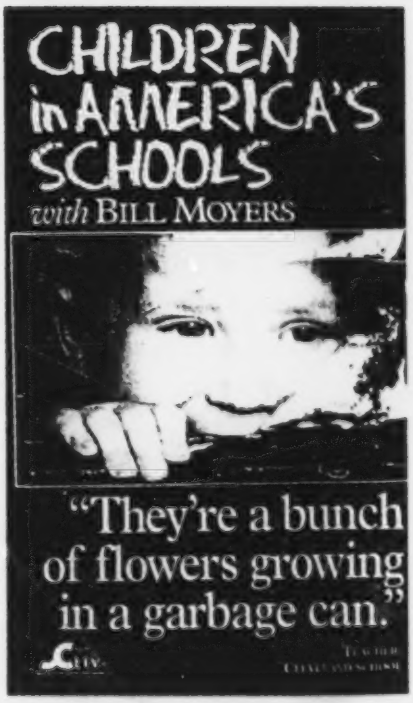
More recently, the Ohio State Superintendent of Schools incorporated key elements of the Third Grade Guarantee in his Urban Schools Initiative which was presented to the legislature in February. Significantly, the major elements of the plan have also been endorsed by Ohio's BEST coalition (Building Excellent Schools for Today and the 21st century), a coalition of corporate leaders, labor, civic, civl rights, and education groups.

As the legislature considers further proposals for educational and fiscal reform, the Third Grade Guarantee is a measuring stick for the equity initiatives needed to bring progress and higher student achievement to Ohio's schools. ■

An Invaluable Resource

Children in America's Schools, with Bill Moyers is a must-see for anyone organizing around funding equity. A two-hour PBS special inspired by Jonathan Kozol's book *Savage Inequalities*, the documentary contrasts inner city, suburban, and rural schools, using Ohio as a microcosm. The video's second half is a "town hall meeting" of politicians, educators, and children. It contains the liveliest debate on school funding ever to appear on television.

The documentary was produced by the Saint-Hayden Co. in association with South Carolina ETV and Nebraska ETV. The cost is $30 and includes a *Viewer's Guide to Action*. To order: SC ETV Marketing, 1-800-553-7752.



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Resources, Publications, Organizations

American Association of School Business Officials, 11401 N. Shore, Reston, VA 20190. 703-478-0405. Publishes the quarterly *Journal of Educational Finance*.

American Federation of Teachers, Department of Research, 555 New Jersey Ave., NW, Washington, DC 20001. 202-879-4428. Extensive materials on a range of education topics, including funding. website at http://www.aft.org.

Association For Equity In Funding, William Vincent, Chairperson, East University St., Elk Mound, WI 54739. 715-879-5066/5521. An association of approximately 160 Wisconsin state public school districts formed to assure financial equity among public schools.

Campaign for Fiscal Equity, legal and advocacy lobby for funding reform in New York state. Publications include:

Fiscal Equity in Education: A Proposal for a Dialogic Remedy, Michael A. Rebell, Robert L. Hughes, and Lisa F. Grumet. A 191-page report prepared by the Campaign for Fiscal Equity in response to the failure of the courts and legislatures to offer an effective remedy to inequity. Encourages parents and citizens to take the lead in formulating a funding equity solution. More readable than its title might suggest, provides excellent background info on the experiences of 10 states in creating court-ordered remedies. Also explains the common funding mechanisms and proposes a strategy for developing a remedy. $15, including s&h.

Order from: Campaign for Fiscal Equity, Inc., 6 E. 43rd St., 19th Floor, New York, NY 10017. 212-867-8445.

Center on Budget and Policy Priorities, 820 1st St., NE, Ste. 510, Washington, DC 20002. 202-408-1080. Studies government spending and the programs and public policy issues that have an impact on low-income Americans.

Citizens for Tax Justice

CTJ's Guide to Fair State & Local Tax Policy, 1993. A 48-page analysis and description of different tax systems. In-depth explanation of how they work and how to make them work for you. $25.

Who Pays? A Distributional Analysis of the Tax Systems in All 50 States, 1993. An index of state and local taxation, listed by state in alphabetical order. State populations are broken down by income and the taxes the populations pay are shown in graphs.$25.

Order from: Citizens for Tax Justice, CTJ, 1311 L St., NW, Washington, DC 20005. 202-626-3780; fax 202-638-3486. e-mail to ctj@ctj.org; website at http://www.ctj.org.

Committee for Education Funding, 122 C St., NW, Ste. 280, Washington, DC 20001; 202-383-0083. Represents elementary, secondary, and higher education associations in their efforts to maintain federal funding of education at all levels. Publishes a monthly newsletter and annual report.

Common Agenda Coalition and the National Priorities Project

Creating a Common Agenda: Strategies for Our Communities. A 72-page report on our nation's budget priorities and what can be done to reform them. Addresses jobs, military spending, tax equity, education, and welfare, and suggests actions for change.

Order from: National Priorities Project, 160 Main St., Northampton, MA 01060; 413-584-9556. $10 for the full issue; $1 for the executive summary. Website at http//www.natprior.org.

Consortium for Policy Research in Education, University of Pennsylvania, 3440 Market St., Ste. 560, Philadelphia, PA 19104-3325. 215-573-0070; fax 215-573-7914. Or by e-mail to cpre@nwfs.gse.upen.edu.
A consortium of five universities which produces research on education policy. In addition to reports, publishes *Policy Briefs* and *Finance Briefs*. Call or write for publications list.

Economic Policy Institute

Where's the Money Gone? Changes in the Level and Composition of Education Spending. Richard Rothstein with Karen Hawley Miles, 1995. A 98-page examination of changes in expenditures from 1967 to 1991 in nine typical U.S. school districts. Includes a bibliography, appendices describing methodology, and tables which present in detail the changing patterns of expenditure in the districts covered by the report. $12, plus $3.50 s&h.

Where's the Payoff? The Gap Between Black Academic Progress and Economic Gains., Jared Bernstein, 1995. Examines the gap between the educational and the labor market progress of Blacks. Shows that while Blacks have gone a long way toward closing educational gaps between themselves and whites, the wages and employment opportunities of many Blacks and other minorities continue to lag behind. An important study of the persistence of racial discrimination in U.S. society. $12, plus $3.50 s&h.

The State of Working America, 1996-97. A 411-page book which seeks to explain the changes in the economic situation of the American worker in the past decade. $24.95, plus $3.50 s&h.

Order from: Economic Policy Institute, 1660 L St., NW, Suite 1200, Washington, DC 20036. 800-374-4844.

Education Commission of the States

Education Finance in the 1990s, John Augenblick, Steve D. Gold, and Kent McGuire, 1990. A 64-page booklet on the economic context for school finance and the evolution of school finance in the 1980s and 1990s. Includes a summary of school finance litigation, references, and a brief glossary. $9.50, plus $3.00 s&h. (Item #SF-90-2).

School Finance Litigation: A Historical Summary, Mary Fulton and David Long, 1993. A detailed, 22-page listing of state supreme court cases, their rulings, and their context and subsequent developments. $5, plus $3.00 s&h. (Item #SF-93-1).

How Much Are Schools Spending? John Augenblick, Gordon Van de Water, and Mary Fulton, 1993. A 47-page, 50-state report that examines school expenditures over the last decade. Gives an overview of changes in federal, state, and local funding patterns, and provides numerous state-by-state charts on per-pupil spending, teacher salaries, staff-student ratios, state rankings in spending, and others. (Item #SF-93-2).

Order from: Education Commission of the States, Distribution Center, 707 17th St., Ste. 2700, Denver, CO 80202-3427. 303-299-3692.

Education Law Center, 155 Washington St., Suite 205, Newark, NJ 07105. 201-624-1815; fax: 201-624-7339. Pioneering project in legal advocacy for equity in school funding. Led landmark finance cases in NJ. Provides wide range of legal and support services for parents and child advocates in the areas of education and school law. Recently published *Wiping Out Disadvantages: The Programs and Services*

Needed to Supplement Regular Education for Poor School Children. Oct. 1996.

Institute for Wisconsin's Future — State Funding Project, 759 N. Milwaukee St., Room 212, Milwaukee, WI 53202. 414-278-8852. The project is a research and educational campaign, designed to promote greater equality of educational opportunity for all Wisconsin children.

Intercultural Development Research Association, 5835 Callaghan Rd., Ste. 350, San Antonio, TX 78228-1190. Working for "equity and excellence in education for all children," IDRA conducts research, provides training and technical assistance, develops materials, and disseminates information. They have been very involved in Texas finance litigation. IDRA published *Texas School Finance Reform* by Jose Cardenas.

Mexican-American Legal Defense and Education Fund, 634 S. Spring St., 11th Fl., Los Angeles, CA 90014. 213-629-2512. Works to protect civil rights of Hispanics. Has an education litigation department.

Multicultural Education, Training, and Advocacy (META), 240A Elm St., Ste. 22, Somerville, MA 02144. 617-628-2226. Serves as an educational defense body for minority children and children from low-income families. Conducts research and educational programs, and publishes Educational Equity newsletter.

National Coalition of Education Activists, P.O. Box 679, Rhinebeck, NY 12572. 914-876-4580. A multi-racial network of parents, teachers, union and community activists, and education advocates working for reform and equity in public schools. Offers annual conferences and institutes, a newsletter, and an information bank.

National Conference of State Legislatures *Voters and School Finance: The Impact of Public Opinion*, 1993. A 60-page report on impact of ballot initiatives on school finance in seven states. Case studies of school-funding initiatives in California, Nebraska, Oklahoma, Colorado, Missouri, North Dakota, and Oregon illustrate what works and what doesn't in getting the public to approve increased funds for education. Includes a bibliography and basic fiscal information on each of these states. **Order from**: Book Order Dept., NCSL, 1560 Broadway, Ste. 700, Denver, CO 80202. 303-830-2054; fax: 303-863-8003. $15 plus $4 s&h for first copy; $1 for each additional copy.

Internet Resources

http://www.ed.gov/NCES/
Home page of the *National Center for Education Statistics*, a comprehensive source of information on education. Statistics on funding differences in public school districts can be found at educationhttp://www.ed.gov/NCES/pubs/CoE95/53txt.html.

http://www.ohio.com/bj/projects/shortchange/index.html
A special report from the Ohio *Beacon Journal* on how the state has been *"Short-changing Ohio's Children."* Full of information and issues including the false promise of lottery funding for schools. Includes companion piece on similar issues in neighboring Kentucky.

http://www.cashnet.org/about.html
Home page of the *Coalition for Adequate School Housing* (C.A.S.H.) formed in 1978 to promote, develop, and support the enactment of new statewide and local funding alternatives for public K-12 construction.

http://epinet.org/
Economic Policy Instititue site. Useful source of research and economic analysis on social issues.

http://www.ed.gov/
U.S. Department of Education

http://www.handsnet.org/handsnet/
HandsNet is a national, nonprofit organization that promotes information sharing, collaboration, and advocacy among individuals and organizations working on a broad range of public interest issues.

http://www.childrensdefense.org/
The Children's Defense Fund. National advocacy lobby on children's issues.

http://www.edweek.org/
Education Week site. Extensive reporting on education issues. Includes recent state-by-state status report on reform efforts. Tables on funding issues can be found at http://www.edweek.org/qc/indicators/tables/res-t.htm. Additional info and links at http://www.edweek.org/context/topics/finance.htm.

http://www.childrennow.org/links.html#edanch
A comprehensive list of links to web sites on education and children's issues. Prepared by *Children Now*, a California-based advocacy group.

http://www.ctj.org.
Citizens for Tax Justice. Information and analysis of tax policy.

http://www.natprior.org
Common Agenda Coalition and the National Priorities Project. Anaylsis of, and alternatives to, federal budget policies.

http://inet.ed.gov/offices/OERI/GFI
The National Institute on Educational Governance, Finance, Policy-Making, and Management. Site also includes an extensive bibliography of articles on school finance issues from *The Consortium for Policy Research in Education* at http://inet.ed.gov/offices/OERI/GFI/gficpre1.html

National Education Association Research Division
Tax Options for States Needing More School Revenue. A 62-page booklet outlining the benefits and disadvantages of various state and local taxes for education funding. Offers criteria for evaluating each option and specific suggestions for each state. Includes a glossary. Order from: NEA Professional Library, P.O. Box 509, West Haven, CT 06516. 800-229-4200.

Ohio Coalition for Equity & Adequacy of School Funding, William Phillis, Executive Director, 100 S. Third St., Columbus, OH 43215. 614-227-4841; fax 614-227-2390. A group of more than 500 Ohio school districts seeking reform of the current school funding situation. The Coalition has filed two lawsuits over constitutional issues governing education.

BOOKS

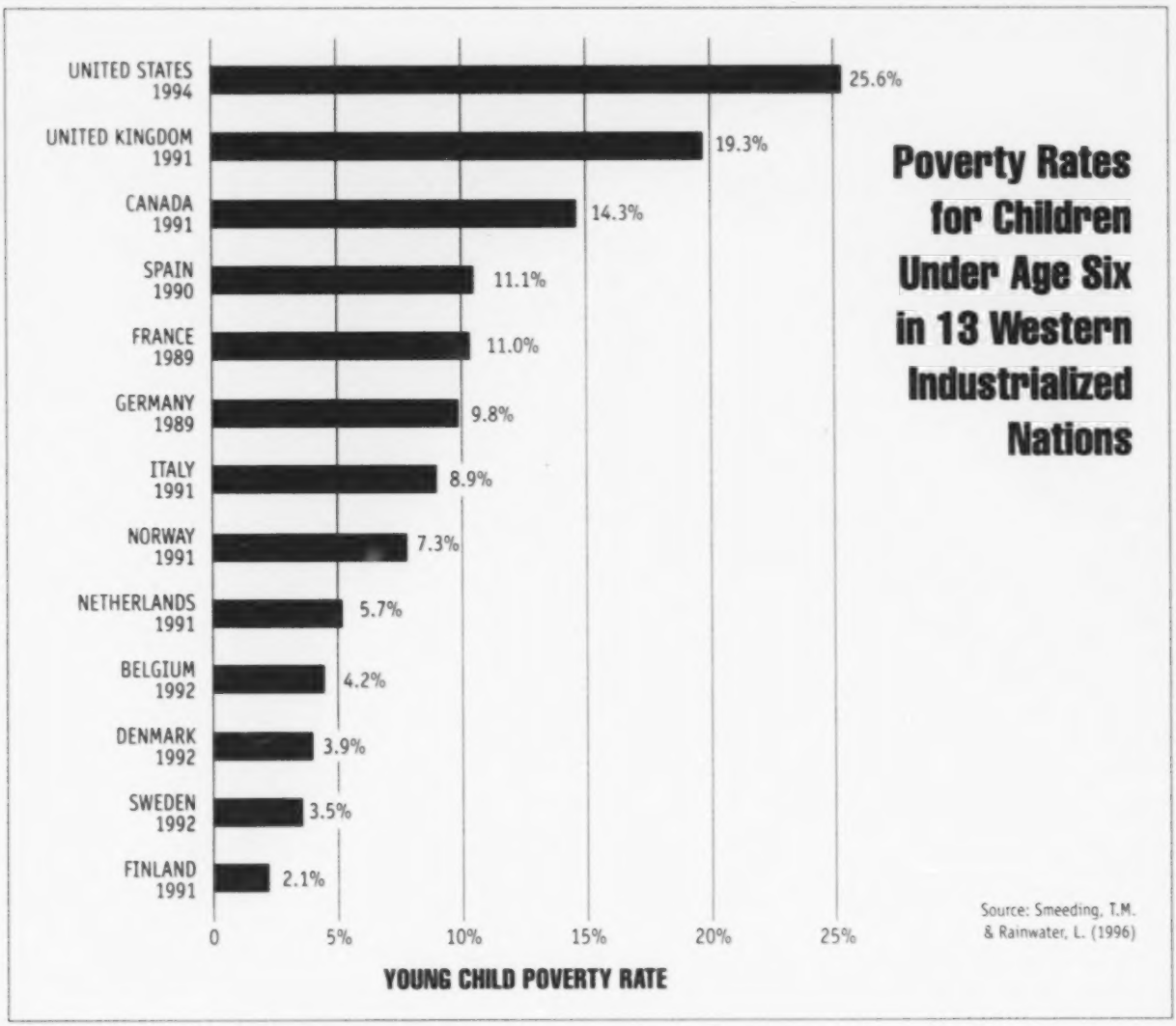
Choosing Equality: The Case for Democratic Schooling. Ann Bastian, et al. Written in response to the conservative agenda of promoting standards and other reforms without regard to funding and equity issues, *Choosing Equality* makes a well-reasoned case for a renewed commitment to egalitarian principles in school reform. Philadelphia: Temple University Press, 1986.

Dollars and Sense, an accessible economics magazine with a progressive perspective on policy and current affairs.Also publishes useful primers on economic subjects. Subscriptions: $22.95/year (6 issues). 1 Summer St., Somerville, MA 02143. 617-628-8411.

Savage Inequalities, Jonathan Kozol. Best-selling book puts a human face on funding inequities through Kozol's visits to rich and poor schools. New York: Crown, 1991.

Top Heavy: A Study of the Increasing Inequality of Wealth in America, A Twentieth Century Fund Report by Edward N. Wolff. A 93-page analysis of historical trends in, and the present distribution of, U.S. household wealth, concluding with a proposal for the imposition of a wealth tax on the European model. The report compares the U.S. with western European nations and presents the results of simulations designed to show the potential revenue effects of several systems of wealth taxation. Includes a bibliography and an appendix on the definition and measurement of wealth.

Order from: National Book Co., 800 Keystone Industrial Park, Scranton, PA 18512. 800-233-4830. $7.95 (Item #156584347 9).



The Courts and Equity: A State-by-State Overview

In 1968, John Serrano, a parent in a poor Los Angeles-area school district, took California officials to court over the state's school funding mechanism. The state Supreme Court ruled on his case, *Serrano v. Priest*, in 1971, finding the inequitable system unconstitutional.

Serrano began the first of two waves of funding equity litigation which have now affected 36 states. The suits in the first wave, spanning the years 1971 to 1985, focused on wealth disparities between districts, often claiming that such disparities violated the equal protection clause of a state's constitution. Later first-wave suits introduced the special educational and funding needs of urban areas as complicating factors in determining equity.

A setback for funding equity advocates came in 1973 in the form of the U.S. Supreme Court decision *San Antonio v. Rodriguez*. In its decision on this case from Texas, the High Court ruled that the U.S. Constitution neither explicitly nor implicitly protects the right to an education, effectively eliminating the federal courts as a vehicle for funding reform.

In the second wave, beginning in 1987 and continuing today, cases have tended to focus more on the unequal educational opportunities created by funding disparities, and on the adequacy of the schooling provided. Plaintiffs in these cases have also emphasized accountability in proposing solutions to funding problems, realizing that funding reforms have a better political chance if they are closely tied to measurable school improvement.

Between the two waves, from 1971 and 1985, over 35 states enacted new or revised education aid programs. Overall, the states' share of education funding grew to almost 50% during this period.

The following chart offers a state-by-state look at the history of funding equity litigation and its repercussions. The information is, to the best of our knowledge, up to date as of February 1997. The phrase "No known action." in the Notes column indicates that we are not aware of any litigation on the issue of school funding equity for that state. Updates and corrections to the chart are invited. Please see the Glossary on page 69 for unfamiliar terms.

STATES	CASE(S)	RULING	NOTES
ALABAMA	1993 *Harper v. Hunt* Montgomery County Circuit Court 1997 State Supreme Court	Unconstitutional Unconstitutional	1993: Entire K-12 educational system ruled unconstitutional in both adequacy and equity. 1995: Circuit Court approved a remedy plan that includes student and educator performance standards, a core curriculum, and no academic tracking. 1997: State Supreme Court found reformed system unconstitutional and gave the legislature one year to offer a solution.
ALASKA			No known action.
ARIZONA	1973 *Shofstal v. Hollins* State Supreme Court 1994 *Roosevelt Elem. School Dist. #66 v. Bishop* State Supreme Court	Constitutional Unconstitutional	After *Shofstal*, state legislature added pupil weighting element to existing foundation program. The 1994 ruling found the system unconstitutional in a case based largely on facilities inequities. 1996: legislature agreed to provide $100 million in emergency funds for poorest districts' building needs, but a ruling by Maricopa County Superior Court ordered a totally new finance system by June 30, 1998, or the state must stop distributing state aid to schools.
ARKANSAS	1983 *Alma School Dist. #3 v. Dupree* State Supreme Court 1994 *Lakeview et al. v. Tucker et al.* Chancery Court	Unconstitutional Unconstitutional	After *Alma*, legislature raised state sales tax and created a new foundation program with weights for special education and vocational education students. Also created a second-tier equalization mechanism which distributes an extra 1% of the total foundation amount to poorer districts. In-state disparities worsened after 1983. 1994: Chancery Court gave legislature two years to reform finance system. 1996: Voters approved a ballot measure making the property tax rate uniform and creating a redistribution program of tax money from wealthy to poor districts. A Chancery Court trial on the new system will be held in 1997.

STATE	CASE(S)	RULING	NOTES
CALIFORNIA	1971 *Serrano v. Priest* State Supreme Court 1976 *Serrano v. Priest II* State Supreme Court 1986 Serrano v. Priest III Appellate Court	Unconstitutional Unconstitutional Constitutional	1972: Legislature increased foundation level and capped the growth of district expenditures. 1976: Court found state's efforts toward equity inadequate and ordered that disparities between districts be reduced to less than $100 per pupil. Legislature passed changes including higher inflation adjustment allowances for poor districts and a recapture provision to redirect property tax revenue from wealthy to poor districts. 1978: Proposition 13 enacted, a ballot measure which capped local property taxes and limited state's ability to raise taxes. By 1982, 95% of districts fell within (adjusted) maximum disparity of $200. mandated by *Serrano* (1976). Overall, California's ranking in per-pupil spending dropped from 5th highest in mid-1960s to 42nd highest in 1992-93.
COLORADO	1982 *Lujan v. Colorado Board of Education* State Supreme Court	Constitutional	1988: Legislature revised funding formula from guaranteed yield to foundation program under threat of new lawsuit. 1992: Amendment 1 passed by voters, which limited increases in school spending to the rate of inflation.1994: New finance act enacted based on cost of living, size, and number of at-risk students. 1996: Voters in fall election approved a 20% property tax cut, which educators expect to have long -term nogative effects on education funding.
CONN.	1977 *Horton v. Meskill* State Supreme Court 1982 *Horton v. Meskill II* State Supreme Court 1985 *Horton v. Meskill III* State Supreme Court	Unconstitutional Constitutional Constitutional	1979: Legislature passed a guaranteed tax base system (GTB) and a minimum expenditure requirement. In *Horton II*, plaintiffs challenged the new formula but it was upheld. In *Horton III*, the formula was upheld but the court agreed that further amendments must meet certain guidelines. 1989: legislature increased education aid and replaced GTB with a foundation formula.
DELAWARE			No known action.
FLORIDA			1994: 43 school districts and several students and parents filed a lawsuit in the state Circuit Court challenging the finance system and the use of state lottery revenues to offset cuts in general aid to schools. 1995: Circuit Court dismissed the case but plaintiffs plan to appeal.
GEORGIA	1981 *McDaniels v. Thomas* State Supreme Court	Constitutional	Although the system was upheld in *McDaniels*, the Court directed the legislature to take steps to increase equalization. 1985: legislature passed the Quality Basic Education law, which included funding equalization measures and greatly increased state and local education aid.
HAWAII			No known action. Hawaii has the only statewide school district.
IDAHO	1975 *Thompson v. Engleking* State Supreme Court	Constitutional	1994: Legislature revised the state aid formula and approved a $92 million increase in funding for public schools. A state District Court dismissed a pending challenge to the state's finance system as a result of the changes. 1995: the plaintiffs filed a new case against the reformed system, focusing on adequacy instead of equity.
ILLINOIS			1992: Cook County Court dismissed a challenge to the funding system on the basis of separation of power. 1996: State Supreme Court dismissed appeal of the case, again citing the legislature's responsibility to fix school finance problems. Governor's 1996 efforts to revamp formula died in legislature.

STATE	CASE(S)	RULING	NOTES
INDIANA AND IOWA			No known action.
KANSAS	1976 *Knowles v. State Board of Education* Shawnee County District Court 1981 *Knowles v. State Board of Education* Chatauqua County District Court 1994 *Unified School Dist. #229 v. State* State Supreme Court	Unconstitutional Constitutional Constitutional	1981: changes made in formula after first *Knowles* ruling led to a ruling of constitutional.1992: legislature passed a law for a statewide property tax level that redistributes some local revenues from wealthiest districts to poorer ones. Also provides controversial extra funding for districts with enrollment under 1,900, although 85% of the districts qualify for the supplement. 1995: U.S. Supreme Court declined without comment to hear an appeal of the 1992 law. 1996: Legislature cut the levy by 2 mills, with additional reduction by 2 mills next fiscal year.
KENTUCKY	1989 *Council for Better Education v. Rose* State Supreme Court	Unconstitutional	1989: Sweeping decision found the entire K-12 system unconstitutional in curriculum, governance, and finance. 1990: Legislature passed KERA, the Kentucky Education Reform Act. Financial KERA measures include a guaranteed base of per-pupil funding, higher funding increases to poor districts, and a one-cent sales tax increase. By 1995, per-pupil spending had risen by 31% statewide, but disparities in some areas still exist due to property value growth in the wealthiest districts and the low minimum tax rate set by the 1990 law.
LOUISIANA	1988 *Louisiana Association of Educators v. Edwards* State Supreme Court	Constitutional	1992: A challenge was filed in state judicial district court by 26 school districts against the state's system, which included a minimum foundation program passed in 1992.
MAINE	1994 *MSAD #1 v. Martin* State Superior Court	Constitutional	1995: Governor and legislature created a new funding formula which considers local income and cost of living as factors in determining a district's funding, to take effect in 1997.
MARYLAND	1983 *Somerset County Board of Education v. Hornbeck* State Court of Appeals	Constitutional	In *Somerset*, urban plaintiffs unsuccessfully argued that per-pupil funding should be equal across districts. 1994: The ACLU filed a suit charging that the Baltimore schools are inadequate and therefore unconstitutional. 1995: Baltimore filed its own suit for a greater share of state education aid.
MASS.	1993 *McDuffy v. Robertson* State Supreme Judicial Court	Unconstitutional	One week before the high court's ruling, legislature established a foundation budget for each district and a local contribution requirement, and required the state to make up the difference between the foundation budget and contribution requirement for low-wealth districts. Per-pupil spending must reach $5,600 (1994 dollars) by 2000.
MICHIGAN	1973 *Milliken v. Green* State Supreme Court 1984 *East Jackson Public Schools v. State of Michigan* State Court of Appeals	Constitutional Constitutional	In 1984 case, the Court ruled that the requirement to provide free public education does not demand equal funding. 1993: Voters approved Proposal A, which greatly reduced reliance on local property taxes to fund schools and raised the state's share of education costs through an increase in the sales tax. 1995: While spending gaps between districts have been closing somewhat, observers say that problems of equity and adequacy remain.
MINNESOTA	1992 *Skeen v. State* Wright County District Court 1993 *Skeen v. State* State Supreme Court	Unconstitutional Constitutional	1993: State successfully appealed the 1992 ruling. 1995: NAACP filed suit for more funding for urban districts.

STATE	CASE(S)	RULING	NOTES
MISSISSIPPI			No action taken.
MISSOURI	1993 *Committee for Educational Equity v. State* Cole County Court 1996 State Supreme Court	Unconstitutional Constitutional	After the 1993 ruling, legislators rewrote the funding formula and raised taxes by $310 million. 1995: suit filed by 3 state legislators and others to block collection of the increased taxes. 1996: State Supreme Court found the 1993 finance law, and tax increase, constitutional.
MONTANA	1972 *Granger v. Cascade County School District* State Supreme Court 1989 *Helena Elem. School Dist. #1 v. State of Montana* State Supreme Court	Constitutional Unconstitutional	1989: Legislature passed a foundation program with a guaranteed tax base component, doubled overall levy mills, and added and reallocated other taxes. 1991: Under threat of new lawsuit, legislators strengthened the foundation program and placed caps on wealthier districts' spending, but also cut state education aid by $29 million overall.
NEBRASKA	1993 *Gould v. Orr* State Supreme Court	Constitutional	1993: State Supreme Court rejected a challenge to the finance system. 1996: Legislature voted to cap school share of local property taxes at $1.10 per $100, effective in fiscal 1999. Also approved an extra $50 million in state aid, based on property wealth.
NEVADA			No action taken.
NEW HAMPSHIRE	1993 *Claremont et al. v. State* State Supreme Court 1996 *Claremont et al. v. State* State Superior Court	Unconstitutional Constitutional	New Hampshire relies more heavily on local tax revenues (90% of school income) for education funding than any other state. The state provides only 7% of school funding.1993: State Supreme Court remanded the case to the Superior Court.. 1996: Superior Court ruled that the system has problems but it is not the state's obligation to fix.
NEW JERSEY	1973 *Robinson v. Cahill* State Supreme Court 1990 *Abbott v. Burke* State Supreme Court 1993 *Abbott v. Burke II* State Superior Court 1994 *Abbott v. Burke III* State Supreme Court	Unconstitutional Unconstitutional Unconstitutional Unconstitutional	1975: State Supreme Court threatened to close N.J. schools unless legislature complied with *Robinson*. State income tax passed raising funding for all districts. In *Abbott*, Court found that funding disparities had increased under the revised system. It ordered the state to equalize per-pupil spending between the poorest and richest districts. It also mandated additional spending in poor districts above equalization levels to compensate for their "special needs." Legislature responded with the Quality Education Act (QEA) which raised sales and income taxes to fund increased aid. Some funds, originally intended for education, were diverted by the legislature to reduce local property taxes. The Court held in *Abbott II* that the QEA did not meet the mandate of its earlier decision and was unconstitutional. In *Abbott III*, the court set a deadline for adoption of yet another formula. 1996: The legislature adopted governor's plan to tie state funding to new core curriculum standards at levels well below the equity critieria of *Abbott*. A challenge was filed to the new plan immediately and is scheduled to be heard in March 1997.
NEW MEXICO			1996: A case filed by 10 medium-sized districts was dismissed by a county court. Governor invited plaintiffs to join his school-funding task force to find a legislative solution instead of appealing the decision.

STATE	CASE(S)	RULING	NOTES
NEW YORK	1982 *Board of Education, Levittown v. Nyquist* State Court of Appeals	Constitutional	In *Levittown*, the Court judged that the state had met its obligation to provide a "sound basic education." 1995: Two new suits were filed to challenge *Levittown*: one, filed by about 40 districts mostly from Long Island, asked the court to consider financial disparities which are causing inadequacy in some districts. The other, filed by the NYC-based Campaign for Fiscal Equity, argues that the city's schools provide an inadequate education. The Long Island case was dismissed in 1995, but the NYC suit was allowed to proceed.
NORTH CAROLINA	1987 *Britt v. State Board of Education* State Supreme Court	Constitutional	1994: Five districts filed a suit in state Superior Court. 1996: Suit was dismissed; judges ruled that the state constitution requires "equal access" not "equal opportunities." The state Supreme Court has agreed to hear the case.
NORTH DAKOTA	1994 *Bismarck Public Schools et al. v. State et al.* State Supreme Court	Constitutional	1994: State Supreme Court voted the system unconstitutional by 3 to 2 but was one vote short of the supermajority needed to officially declare it so. 1995: Legislature passed a bill to reduce state aid to property-rich districts and give the extra money to poorer districts. Also created a $2.2 million supplemental fund to aid poorer districts.
OHIO	1979 *Board of Education of Cincinnati v. Walter* State Supreme Court 1994 *DeRolph v. State of Ohio et al.* Perry County Common Pleas Court 1995 *DeRolph v. State of Ohio et al.* State Court of Appeals	Constitutional Unconstitutional Constitutional	No changes resulted from 1979 case. 1995: Governor successfully appealed the 1994 ruling. Appeals Court said the legislature should decide finance matters, not the courts. 1996: Plaintiffs appealed the 1995 decision to the state Supreme Court. Decision due in early 1997.
OKLAHOMA	1987 *Fair School Finance Council of Oklahoma v. State* State Supreme Court	Constitutional	Plaintiffs in *FSFCO v. State* charged that the constitutional limit on property tax levels kept poorer districts from raising adequate funds. In 1981, while case was moving through lower courts, legislature revised the system from a flat grant program to a foundation/guaranteed tax base formula with pupil weights. 1992: Voters approved an initiative that requires tax increases or new taxes to obtain a 3/4 vote in both houses or pass a statewide referendum.
OREGON	1976 *Olsen v. Oregon* State Supreme Court 1991 *Coalition for Education Equity v. Oregon* State Supreme Court	Constitutional Constitutional	In *Olsen*, Court ruled that state's interest in local control outweighed its interest in equal opportunity. 1987: Voters approved a constitutional amendment to create a "safety net" that allows districts to operate at previous year's funding level, even if they are unable to raise additional funds through local levies. In *CEE v. Oregon*, Court judged that by voting for the safety net, the public had approved the existence of funding disparity. 1996: Voters passed a constitutional amendment to require 3/5 of both houses to approve tax increases, and a measure to decrease property taxes by 20% statewide.

STATE	CASE(S)	RULING	NOTES
PENN.	1978 *Danson v. Casey* Commonwealth Court 1979 *O'Donnell v. Casey* Commonwealth Court 1987 *Bensalem Twp. School Dist. v. the Commonwealth* Commonwealth Court	Constitutional Constitutional Constitutional	1990: A challenge was filed by nearly half of the state's districts saying poorer schools need more aid. 1995: A governor's task force charged with finding a legislative solution suggested no tax changes. 1996: State Supreme Court agreed to hear the 1990 suit. Decision was pending at press time.
RHODE ISLAND	1994 *City of Pawtucket v. Sundlun* State Superior Court 1995 *City of Pawtucket v. Sundlun* State Supreme Court	Unconstitutional Constitutional	1994: Court ordered massive funding reforms. 1995: State Supreme Court ruled that there are problems but they must be fixed by the legislature, not the courts. 1996: Legislature tied level of state aid to an assessment of districts' actual needs, instead of previous year's spending, a measure expected to benefit districts with a history of inadequate funding.
SOUTH CAROLINA	1988 *Richland County v. Campbell* State Supreme Court	Constitutional	
SOUTH DAKOTA	1994 *Bezdichek v. State* State Circuit Court	Constitutional	
TENNESSEE	1993 *Tenn. Small School Systems v. McWherter* State Supreme Court	Unconstitutional	1992: While case was moving through lower courts, legislature enacted the Basic Education Program to even out disparities. 1995: State Supreme Court ordered the state to equalize teacher salaries as well.
TEXAS	1973 *San Antonio v. Rodriguez* U.S. Supreme Court 1989 *Edgewood Independent School Dist. v. Kirby* State Supreme Court 1995 *Edgewood Independent School Dist. v. State* State Supreme Court	Constitutional Unconstitutional Constitutional	In *Rodriguez*, the U.S. Court ruled that the right to education is not implicitly or explicitly protected by the U.S. Constitution. 1991: State legislature passed the "Robin Hood" plan creating new tax districts composed of rich and poor school districts with equal distribution of revenues within each tax district. 1992: "Robin Hood" plan overturned by state Supreme Court. 1993: Legislature passed law to cap property tax bases at $280,000 per pupil. Districts with more property wealth must adopt one of five methods for lowering its tax base, including taking in pupils from another district, combining with a poorer district, or detaching territory and annexing it to another district's tax rolls. Also added a guaranteed yield mechanism. 1995: Legislature voted to allow wealthy districts to maintain their 1992-93 funding levels through the 1997-98 school year.
UTAH			No known action.
VERMONT			1995: After years of attempted legislation to achieve reform, ACLU of Vermont filed a suit in Superior Court charging that the state's system violates both the state and U.S. constitutions. 1996: Case was dismissed but both parties appealed to the state Supreme Court, whose ruling was pending at press time.
VIRGINIA	1994 *Reid Scott et al. v. Virginia et al.* State Supreme Court		1994: State Supreme Court ruled that the issue of school funding equity is for the legislature to decide, and specifically that there is no state constitutional mandate for equality in school spending or programs.

STATE	CASE(S)	RULING	NOTES
WASHINGTON	1974 *Northshore School Dist. v. Kinnear* State Supreme Court 1978 *Seattle School Dist. #1 of King County v. State* State Supreme Court	Constitutional Unconstitutional	A very divided court in *Northshore* set the stage for 1978 case. In *Seattle v. State*, court agreed that many districts were hurt by dependence on funding approval by annual referenda. Basic Education Act of 1977 required a per capita education funding formula and a cap of 10% on the amount that could be raised above what was needed for "basic education" activities. 1987: The cap was raised to 20% and some districts, such as Seattle, were exempted from the cap for extracurricular activities.
WEST VIRGINIA	1979 *Pauley v. Kelly* State Supreme Court	Unconstitutional	In *Pauley*, state Supreme Court issued a set of broad guidelines describing the minimum level of education required by the state constitution. Case sent to Circuit Court to have guidelines fleshed out (*Pauley v. Bailey*, 1982), resulting in the painstakingly detailed Master Plan. Although some steps have been taken to equalize teacher salaries, modify the foundation program, provide school building funds, and develop new educational standards, the Master Plan has never been implemented, due to public resistance to the costs involved. 1995: A judge ruled that the requirements of the Master Plan have not been satisfied.
WISCONSIN	1976 *Buse v. Smith* State Supreme Court 1989 *Kukor v. Grover* State Supreme Court	Unconstitutional Constitutional	In *Buse*, plaintiffs successfully challenged the recapture provision of the 1973 School Finance Act. In *Kukor*, there was no clear holding of the court. However, a plurality of the court held that the legislature is responsible for addressing funding disparities, not the court. A new constitutional challenge was due to be filed in February 1997 by a statewide coalition of school districts.
WYOMING	1980 *Washakie County School Dist. #1 v. Herschler* State Supreme Court 1995 *Campbell County School Dist. et al. v. State et al.* State Supreme Court	Unconstitutional Unconstitutional	1982: Two constitutional amendments were passed: first, to increase the foundation aid program income; second, to allow the state to recapture 75% of local property tax revenues above the state average and redistribute them to poorer districts. 1993: District judge ruled main formula constitutional but struck down three ancillary funding programs. 1995: Unanimous state supreme court ordered lawmakers to define a "proper education" and find a way to pay for it for every child by July 1997. Court struck down recapture scheme.

Sources: *Fiscal Equity in Education: A Proposal for a Dialogic Remedy*, Michael A. Rebell, Robert L. Hughes, and Lisa F. Grumet (New York: Campaign for Fiscal Equity, 1995); *The State of Inequality*, Policy Information Center (Princeton, N.J.: Educational Testing Service, 1991); *School Finance Litigation: A Historical Summary*, Mary Fulton and David Long (Denver: Education Commission of the States, 1993); *State Investments in Education and Other Children's Services: Case Studies of Financing Innovations* (Washington, D.C.: The Finance Project, 1995); *Education Week*, articles from 1991-1997; NEA state affiliates in Ala., Ark., Colo., Miss., Okla., Nev., Va., Mass., Ga., N.D., Wis., Vt., Ky., and N.J.; state departments of education in Ala., Conn., Kan., La., Maine, Mich., Minn., Mo., N.H., N.C., Ohio, Penn., R.I., S.C., S.D., Texas, Wyo.; and the ACLU of Vermont.

Research by Jennifer Morales.

Glossary of Funding Terms

Following are definitions for words and concepts that are often used in discussing school funding issues. Some concepts, such as "hold harmless," are also used in other contexts, and the definitions here pertain to education.

bonded debt: or "funded debt;" the total dollar value of a school system's outstanding bonds.

categorical aid: or "categorical grant;" support funds from a higher governmental level that are earmarked for a specific purpose. School systems receive such aid from both the federal and state governments (e.g., Title I, vocational education aid).

constant dollars: dollar amounts that have been adjusted to eliminate inflationary factors. This adjustment makes possible meaningful year-to-year comparisons.

current dollars: dollar amounts that have not been adjusted to eliminate the effects of inflation.

capital outlay: or "capital expenditures;" money spent for the acquisition of, addition to, or replacement of fixed assets, especially land, buildings, and new equipment.

current expense: any expenditure, whether paid or unpaid, exclusive of capital outlay or debt service.

debt service: expenditures for debt retirement and interest on debts. Principal and interest of current loans (loans payable within the current fiscal year) are not included.

educational overburden: the condition facing school districts serving a disproportionately large number of disabled or disadvantaged students, or those for whom English is not a native language.

effort: the relationship between the wealth of a state or district and the amount spent on education. Generally expressed on the state level as per-pupil spending as a proportion of the state's per capita income.

equalization aid: or "financial equalization;" financial assistance furnished to the school district by state or federal government for the purpose of reducing significant wealth disparities.

excess levy: amounts over the uniform state-mandated levy which counties or districts may impose upon themselves.

flat grant: a form of state assistance in which the state pays a fixed amount to each school district using some uniform unit of measure such as a certain dollar amount for each full-time teacher or for each student in average daily attendance, regardless of other measures of need.

formula funding: allocation of funds in accordance with pre-determined criteria such as number of students, number of classrooms, or type of curriculum.

foundation program: a financial equalization program that guarantees a minimum (foundation) level of revenue support for each student in a state.

full state assumption: or "full state funding;" a school finance plan that proposes that the state government shall assume full responsibility for funding K-12 education and that equal per-pupil expenditures are to be distributed to each of the state's school districts.

general aid: funds provided to a district by a higher government in which no earmarking is involved.

guaranteed tax base: or "guaranteed yield;" a funding formula in which a state government guarantees a certain dollar amount of revenue per pupil. School districts agree to tax themselves at a set rate (same for all districts in a state), and the state makes up any difference between what a district can raise at that rate and the guaranteed amount.

hold harmless provisions: also "save harmless;" mechanisms that protect districts from reductions in aid.

levy: to impose taxes or special assessments, or the total of taxes or special assessments.

minimum expenditure requirement: in some state funding formulas, a requirement that each school district spend a base number of dollars per pupil.

municipal overburden: in large cities, the non-education services (e.g., welfare, sanitation) that must be provided and with which education competes for funding.

progressive tax: a graduated tax that exacts a higher percentage of high incomes than of low incomes (e.g., federal income tax).

recapture: a feature in state aid to education formulas where local districts that raise an amount per pupil in excess of state guaranteed expenditure per pupil would have to pay back the excess to the state for redistribution to poor schools.

redistributive: describes a funding formula that draws funds from one area or district and gives them to another.

regressive tax: a tax whose rate is inversely related to "ability to pay." Such taxes exact a larger share of income from low-income taxpayers than from high-income ones (e.g., excise tax, sales tax, and property tax).

weighted pupil measures: a system of apportioning state aid to school districts based on the recognition that it costs more to educate some pupils than others. Weighted groups may include disabled, bilingual, vocational education students, etc.

Sources: *Educational Administration Glossary*, Edward L. Dejnozka (Westport, CT: Greenwood Press, 1983); *The State of Inequality*, Policy Information Center (Princeton, NJ: Educational Testing Service, 1991).

KATHY SLOAN

Equal Opportunity and the Federal Role in Education

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basis of sex, Section 504 of the Rehabilitation Act of 1973 prohibiting discrimination on the basis of handicap, and Supreme Court decisions such as *Lau v. Nichols*, which guaranteed the educational rights of limited-English-speaking students, all expanded the regulatory obligations of the federal government.

Overzealous enforcement of these regulations has at times threatened to make a "mockery" of them, as their critics point out.[19] Yet, except for school desegregation, they have not interfered substantially with the regular activities of the schools. Nor have they been overly burdensome to most school districts. Conservative rhetoric about too much paperwork and red tape to the contrary, over time, local educators have accommodated themselves to these programs and learned to live with the mandates and regulations that have come with them. In addition, many educators who once complained loudly about excessive bureaucratic regulation now agree that the federal presence has been necessary to address inequities long ignored by states and local school districts and to insure that the purposes of the federal legislation have been carried out.[20]

A case in point is the history of Title I/Chapter 1 of the Elementary and Secondary Education Act passed in 1965. Little thought was initially given to how it might be implemented. Although some questioned whether local districts would follow the intent of the legislation, most assumed that the program would be self-executing. Yet implementation fell well short of these expectations. Local districts with little commitment to educating low-income children used the new funds for a variety of purposes, many of which had little to do with equalizing opportunity. In some cases, they even used funds to perpetuate the inequities they were intended to address, as in the Louisiana parish that used federal funds to build segregated swimming pools.[21] In response to these abuses and to pressure from civil rights groups, federal officials stepped up their oversight of local programs, and they increased audits of local districts. This resulted in much more elaborate and specific guidelines and regulations governing the use of federal funds. But it reduced abuses in local practices. Although many eligible children were still unable to participate in the program because of inadequate funding, by the early 1980s funds were reaching the most needy students and the number of those participating who were neither low-income nor low-achievers had been substantially reduced.[22]

Many educators who once complained loudly about excessive bureaucratic regulation now agree that the federal presence has been necessary to address inequities

This regulatory effort was resisted initially by many state and local school officials. Among other things, they argued that federal regulations limited their flexibility to meet pressing local needs. But most studies of the implementation of Title I indicate that by the early 1980s local districts had worked out agreements with federal officials that gave them more flexibility in administering the program but preserved the intent of the program to deliver additional services to low-income students. Indeed, one of the chief ironies in the recent history of federal policy is that just at the moment that Reagan and other conservatives were bewailing the effects of government regulation on the schools and proposing to reduce federal involvement, most school officials had become accustomed to the federal presence. They fought against Reagan's efforts to consolidate the major categorical programs for low-income, limited-English-speaking, and handicapped children, and told researchers that federal money provided services to low-income and other needy students that states and localities would not have provided on their own.[23]

Some researchers have praised this accommodation as an example of creative federalism. The reasons for it are not necessarily ones that should be applauded, however. In most places, it did not come about because local districts had fully embraced the federal commitment to equity or substantially altered their regular practices. On the contrary, local districts became less resistant to Title I/Chapter 1 because they succeeded in marginalizing it. They created a separate administrative structure to administer it, hired a separate staff to teach in it, and pulled students out of their regular classes to receive its services. As a result, even though people in local districts came to accept accountability to federal guidelines as the condition for receiving federal funds, the program remained peripheral to the main workings of the school and had a difficult time building a base of support for further program development if federal dollars should ever be withdrawn.[24]

There are, of course, valid complaints about federal regulation, not just in Title I but also in the federal bilingual education program and in the program for handicapped education. Many school districts have focused most of their energy simply on complying with federal guidelines. Sometimes this has come at the expense of program quality.[25] One observer commented, for example, that he knew of a lot of Title I programs that were in compliance with federal regulations yet were bad programs. Others have made the same observation about bilingual education and P.L. 94-142, the Edu-

cation for All Handicapped Children Act.[26] But it is not self-evident that these problems have resulted principally from overzealous federal regulation or that they can be resolved simply by returning the control of education to the states and localities, as conservatives as well as many liberals argue they can.

First, neither Title I/Chapter 1 nor P. L. 94-142 prescribe specific curriculum or particular pedagogical practices. In both programs, decisions about the conduct of the programs, the content of the curriculum, and pedagogy are left up to local districts. If instruction in them has been uninspired, it is not therefore just because of excessive federal regulation but because of the presence or absence of other factors that inhibit change and discourage experimentation. Of these, the most often cited are lack of local knowledge about alternative practices and the local district stance toward flexibility and innovation.[27] But equally important are deeply embedded assumptions about economically disadvantaged students and the kinds of practices appropriate for them, particularly that they suffer from cultural deprivation and that what will help them most is continual drill and repetition of basic skills rather than the opportunity to engage in more challenging conceptual tasks.[28]

Second, although compliance concerns may have inhibited efforts to improve the quality of instruction, recent experience with the block grant created under Chapter 2 of the Educational Consolidation and Improvement Act suggests that reducing federal involvement and simply returning control to states and localities is more likely to exacerbate inequities in resources than reduce them. The block grant, passed in 1981, consolidated 28 categorical programs (including the Emergency School Aid Act [ESAA] which provided support for school desegregation) and shifted responsibility for making decisions about how to allocate resources to the states. The result has been a pronounced decrease in attention to equity concerns. In their fifty-state analysis of state Chapter 2 allocation formulas, Martin Orland and Staffan Tillander found that 80% of the states distributed the largest share of Chapter 2 formula funds without reference to any criteria of need, while only two states distributed over half of their block grant funds to local districts according to high needs factors. Not surprisingly, the biggest losers were urban districts that received large grants from ESAA funds prior to consolidation.[29]

Political scientists have suggested two reasons for this lack of commitment to equity at the state and local level. One is that groups representing the poor and other needy students, with the notable exception of advocacy groups for handicapped children, are much weaker politically in states and localities than they are at the national level; thus, in most states and localities, it is more difficult for them to put equity concerns on the political agenda.[30] The other reason is that states and localities must keep tax rates low in order to attract investment and to reduce the flight of middle-class residents who would rather move than pay higher taxes for services that do not directly benefit them. Thus, states and localities are not only under less political pressure than the federal government to provide additional funding to improve education for poor children, they have less fiscal capacity to respond to their educational needs as well.[31]

None of this means that states and localities have no role to play in improving education for low-income children. Because schools are organized locally, reform must be owned by states and local school districts if it is to be successful. Moreover, a generation of implementation studies has confirmed that reforms imposed from above, while increasing access to services, have not done much to alter local instructional practices. But the history of the last thirty years suggests that absent federal pressure, the commitment of states and localities to equalizing educational opportunity remains uncertain. Although federal equity policies may need to be reformed, simply reducing or ending federal involvement will, as Lorraine McDonnell and Milbrey McLaughlin have put it, do nothing but "harm a largely powerless constituency."[32]

INEFFECTIVE PROGRAMS?

Are federal programs ineffective? There is no single answer to this question. Conservatives argue that federal programs should be eliminated, or at least cut back drastically, because they have had no sustaining effects on student achievement. In a recent article on Chapter 1, for example, Brian Jendryka of the Heritage Foundation wrote that "If Chapter 1 were a business, it would be in Chapter 11." Over the past 30 years, he argues, Title I/Chapter 1 has spent $135 billion (in 1992-1993 dollars) but has done little to boost the academic performance of low-income children. To support his argument, he pointed to several studies which found not only that Chapter 1 participants failed to catch up with their middle-class peers but that the achievement level of the average Chapter 1 student in both math and reading actually declined while they were in the program.[33]

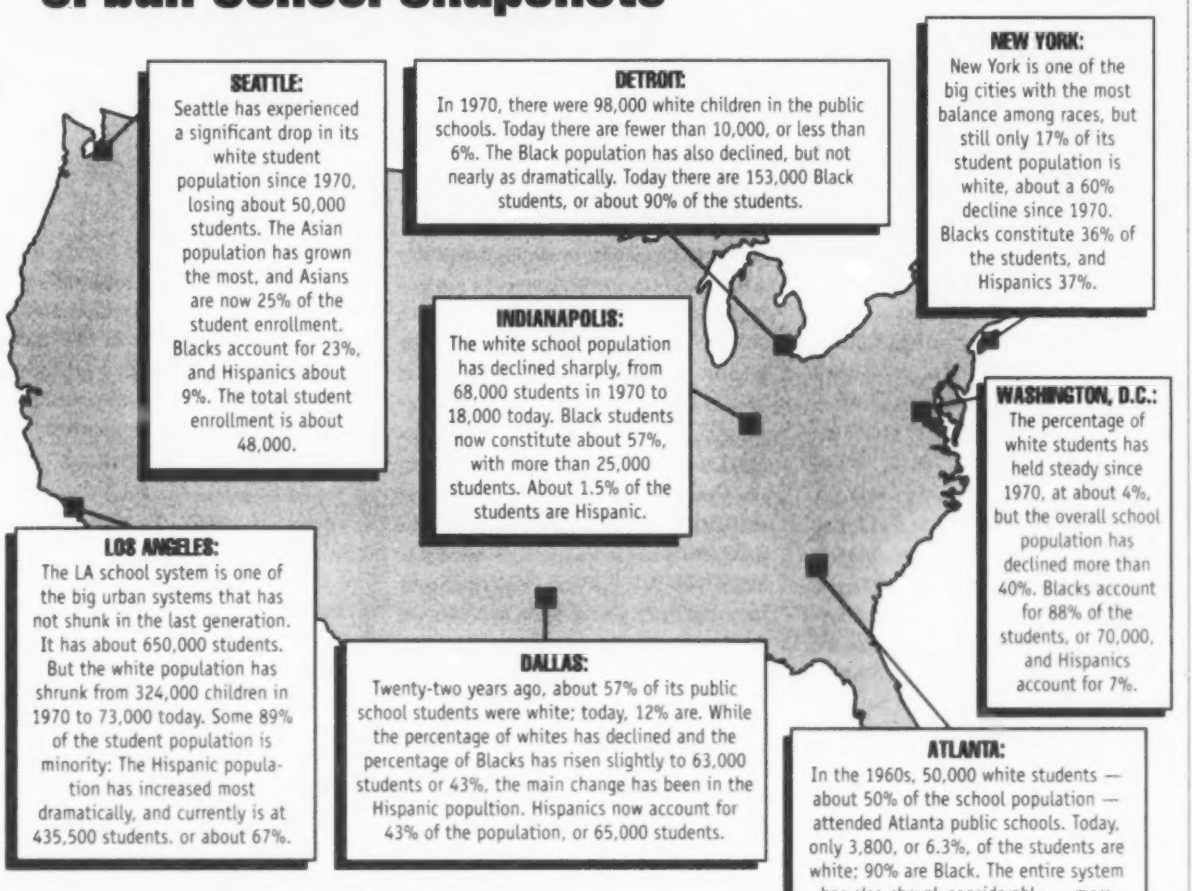
Most liberals contest these claims. They acknowledge that the results of early evaluations on the effects of federal programs like Title 1 and Head Start were disappointing, but they attribute these results to poor program implementation or inadequate research design. Once implementation problems were resolved and outcome measures were designed better, they say, evaluation results have been more positive. Moreover, they argue, these programs have had a variety of positive effects beyond their influence on school achievement. Edward Zigler, former director of the Office of Child Development, has argued, for example, that whatever its effects on achievement, Head Start has improved the nutrition and health of thousands of low-income children.[34] Likewise, Mary Jean LeTendre, director of the Office of Compensatory Education, has argued that while Chapter 1 may have failed to produce great gains in academic skills, it has nonetheless been a success in other ways, helping to make kindergarten universal, highlighting the importance of parent involvement, and bringing national attention to the obstacles facing low-income and other needy students.[35]

While this argument is persuasive, it is difficult to dispute that these programs have failed to produce the kinds of gains in achievement that proponents initially anticipated. Later evaluations of Title I/Chapter 1, for example, have documented gains in achievement, especially when funds have been sufficiently concentrated. But even these more optimistic studies generally conclude that the gains are modest, are confined

to the early grades, and generally "wash-out" in junior and senior high school.[36] The most recent evaluations of Head Start have also documented short-term gains in cognitive achievement as well as long-term gains in special education placement and progress through the grades. Some also indicate gains for model preschool programs (not Head Start) on measures of life success such as teenage pregnancy and delinquency. But they too conclude that the gains in intellectual performance disappear within a few years, that the effects on retention and placement are modest, and that, despite improvement compared to other similar students, program participants continue to lag well behind middle-class students on measures of life success.[37] Indeed, if recent evaluations have reached more positive conclusions than those done 25 years ago, it is not just because the programs may have become somewhat more successful. Rather, as Christopher Jencks has observed, it is because our criteria for success have become much more modest than they were in 1965, when policymakers hoped that these programs would not just improve the academic performance of children from low-income families but actually equalize differences in achievement between economically disadvantaged students and those who were better off.[38]

The more interesting and much more important question is why these programs have not been more effective in raising achievement. Defenders of federal programs offer several explanations. One is that they were often poorly implemented, especially when they were first started. In addition, it is argued, there is great variation in the quality of the programs because they are locally designed and run. As Milbrey McLaughlin has put it, there is no single Title I/Chapter 1 program; rather, there are 30,000 individual Title I/Chapter 1 programs, some good ones, some bad ones, and lots of mediocre ones.[39] Likewise, Edward Zigler has pointed to variation in the quality of local programs as one of Head Start's chief problems. Finally, defenders of these programs also point out that they have not been funded sufficiently to pro-

Urban School Snapshots


SEATTLE:
Seattle has experienced a significant drop in its white student population since 1970, losing about 50,000 students. The Asian population has grown the most, and Asians are now 25% of the student enrollment. Blacks account for 23%, and Hispanics about 9%. The total student enrollment is about 48,000.
DETROIT:
In 1970, there were 98,000 white children in the public schools. Today there are fewer than 10,000, or less than 6%. The Black population has also declined, but not nearly as dramatically. Today there are 153,000 Black students, or about 90% of the students.
NEW YORK:
New York is one of the big cities with the most balance among races, but still only 17% of its student population is white, about a 60% decline since 1970. Blacks constitute 36% of the students, and Hispanics 37%.
INDIANAPOLIS:
The white school population has declined sharply, from 68,000 students in 1970 to 18,000 today. Black students now constitute about 57%, with more than 25,000 students. About 1.5% of the students are Hispanic.
WASHINGTON, D.C.:
The percentage of white students has held steady since 1970, at about 4%, but the overall school population has declined more than 40%. Blacks account for 88% of the students, or 70,000, and Hispanics account for 7%.
LOS ANGELES:
The LA school system is one of the big urban systems that has not shunk in the last generation. It has about 650,000 students. But the white population has shrunk from 324,000 children in 1970 to 73,000 today. Some 89% of the student population is minority: The Hispanic population has increased most dramatically, and currently is at 435,500 students. or about 67%.
DALLAS:
Twenty-two years ago, about 57% of its public school students were white; today, 12% are. While the percentage of whites has declined and the percentage of Blacks has risen slightly to 63,000 students or 43%, the main change has been in the Hispanic popultion. Hispanics now account for 43% of the population, or 65,000 students.
ATLANTA:
In the 1960s, 50,000 white students — about 50% of the school population — attended Atlanta public schools. Today, only 3,800, or 6.3%, of the students are white; 90% are Black. The entire system has also shrunk considerably — more than 40% since the 1960s.

Source: *The Washington Post National Weekly*, May 31-June 6, 1993, with updated information provided by local school districts. Current data is based on the 1995-96 school year, except for Seattle which is based in the 1996-97 school year.

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vide enough additional services to make a difference in school achievement. Title I/Chapter 1, for example, spends about $1,100 per pupil, but this only provides about an hour-and-a-half of additional instruction in math and an hour-and-a-half of additional instruction in reading each week, while Head Start only has enough funding to run for half a day, must limit enrollment for each participant to one year, and still cannot enroll all those who are eligible.[40]

All of these explanations make sense, but they tell only part of the story. Two other explanations are equally, if not more, compelling. First, studies of these programs point out that most of them simply do not do much that is different from what is already going on in the regular classroom; they just provide more of it, usually in smaller-size groups. The majority of Title I/Chapter 1 programs focus almost exclusively on providing additional instruction in reading and math, most of which is generally the same kind of desultory, decontextualized skill training that goes on in many regular classrooms. Qualitative studies suggest that much of the instruction in Head Start falls into the same pattern. Local administrators often argue that this is necessary because students need so much work in basic skills and because their staff is not well enough trained to do anything else. Whatever the reason, however, giving students the same kinds of instruction that they failed at or rebelled against in the first place is unlikely to do much to improve their performance, at least not in more than a transitory way.[41]

Many researchers argue that these instructional problems are compounded by the way compensatory services have been delivered. The primary model for instruction in Title I/Chapter 1, for example, has been to pull students out of the regular classroom for supplemental instruction. Among other things, it was believed, this arrangement was the best way to address the needs of low-income students since it allowed them to concentrate on learning basic skills in smaller classes without having to compete with their more advantaged classmates. Sometimes this has worked, but more often, according to many observers, pull-outs have had negative effects. They cause Title I/Chapter 1 students to lose time in class, fragment their educational experience, and, perhaps most importantly, lower expectations for achievement by treating them as a separate group. Instead of separating them from other students, it is argued, Title I/Chapter 1 should place greater reliance on in-class programs or other mechanisms that reduce fragmentation, end the isolation of Chapter 1 students from their classmates, and increase expectations for achievement of the students in them.[42]

At first glance, this argument makes sense. As a general rule, removing students from the classroom is more likely to stigmatize them and lead to lowered expectations for achievement than instructional strategies that deliver services as part of the regular classroom routine. On closer inspection, however, there does not appear to be any readily apparent reason to prefer one organizational model of service delivery (pull-out, in-class, or any other) over another, since, as Erwin Flaxman and his colleagues have put it, they all "can be effective — or ineffective — in different settings."[43] In fact, there is little evidence that instructional quality and program features, such as how students are grouped or whether they are taught by aides or by the regular teacher, are related in any systematic way. Rather, recent research suggests that program quality has less to do with the particular model of instructional delivery that is used than with the overall quality of the district and the school that students attend.[44]

Indeed, probably the biggest reason why Title I/Chapter 1, Head Start, and other federal programs have not done more to boost achievement is that the children they serve go to low-quality schools. According to a recent study by Valerie Lee and her colleague Susannah Loeb, for example, one reason Head Start gains wash-out once students enter school is that Head Start students go to schools with lower average achievement, poorer student-teacher relations, and a worse academic climate than their more advantaged peers. Consequently, whatever gains they might have made in preschool are not reinforced by their subsequent educational experiences.[45] Likewise, Title I/Chapter 1 students are more likely than other students to go to schools with high drop-out rates, rigid disciplinary practices, uninspiring curriculum, low expectations for achievement, and inexperienced teachers.[46] No matter how good the program might be, its benefits will be difficult to sustain in such an environment.

WHAT SHOULD BE DONE?

What should the federal government do? The federal programs begun in the 1960s and 1970s, together with the civil rights movement, have gone a long way toward expanding educational services for economically disadvantaged students. But the experience of the last three decades has also taught us to temper our expectations about the potential effects of large-scale federal interventions on classroom learning. Still, if the federal government cannot mandate change in what happens in classrooms, ending federal involvement in the name of local control will only make matters worse. Equalizing educational opportunity for those denied it not only requires local initiatives but federal policies to reallocate resources and protect civil rights, provide access to the kinds of practices that make a difference in achievement, and address more comprehensive issues, including the distribution of economic opportunity, that cannot be dealt with effectively at the local level.

Given the educational effects of unequal community wealth and family income, it is difficult to see how the disparities in achievement between rich and poor children can be overcome without spending more money to equalize educational opportunities for economically disadvantaged students. For reasons outlined above, however, states and localities have neither the fiscal capacity nor the political incentive to increase spending to aid poor children. Consequently, the federal government must provide additional resources to improve their chances for educational success. In particular, federal funding is needed to provide additional services in major urban centers and rural areas that have large concentrations of low-income and other "special needs" students.

Allocating federal resources to schools that serve large numbers of economically disadvantaged students is especially important for three reasons. The first is that high concentrations of poverty are associated with lower rates of school achievement, not just

for economically disadvantaged students but for nonpoor students as well. Second, because schooling is tied to local housing markets that are segregated by race and income, those students with the greatest needs yet the fewest advantages, particularly low-income students of color, are more likely than white middle-class students to go to schools with high concentrations of poverty. Finally, even though districts with large numbers of low-income students often tax themselves hard, they generally have fewer resources than more advantaged districts. This is either because they have inadequate tax bases or because they have a disproportionately high need for noneducational services such as police and fire protection or health and welfare services that compete with education for funds out of the local property tax.[47]

Simply pouring money into these high poverty schools will not, of course, automatically make them better. Conservatives are right about that. At a minimum, however, additional funding would make it possible to purchase the kinds of services that are educationally valuable but that many schools with large numbers of poor students do not now provide because they cannot afford them. A large body of research suggests that, among other things, access to kindergarten, student support services, small classes, experienced teachers, and a broad and demanding curriculum all make a difference in achievement. But even though these are routinely available in wealthy districts that serve more advantaged students, they are often unavailable in high-poverty schools because they are located in property-poor districts that do not have sufficient funds to provide them.[48]

Finding political support to increase spending for such policies is no easy task, although it may not be quite as difficult as it initially appears. Because of Reagan's tax reforms, which indexed tax brackets, new spending for education and other domestic programs can no longer be financed out of inflation but requires an increase in taxes, which is anathema in the current political climate.[49] In addition, in 1994, before the Republican victory in the fall elections, Congress turned down a proposal to concentrate a greater proportion of Title I funds on high poverty schools. Yet, despite popular discontent with the federal tax burden and congressional opposition to federal programs targeted at the poor and minorities, opinion polls show that spending for compensatory programs in education retains considerable popular support. This does not mean that most Americans would support a tax increase to provide more resources for education. But it suggests that, contrary to what most politicians and pundits commonly suppose, it would be possible to devote a greater share of federal tax dollars to education without provoking a terrible public outcry.[50]

Winning popular approval for more spending and convincing Congress to allocate resources to high-poverty schools is not the only problem, however. As the history of Title I/Chapter 1 suggests, an equally important question is how to use federal funds to stimulate reform. Concerned that schools were insensitive to the needs of low-income children, the advocates of Title I initially hoped that, in addition to providing more services, federal funds might help change how schools operated. Things did not work out that way, however. As we have seen, not only has Title I/Chapter 1 instruction been rather perfunctory, it has not done much to alter general educational practices either. For the most part, it has remained on the margins where it has had little impact on the regular workings of the school.

In 1988, when Congress re-authorized Chapter 1, it tried to address this problem by making four changes in the law. The most important of these changes eased the targeting provisions in the law so that schools with high proportions of low-income students could use federal funds as part of a schoolwide approach to educational improvement. But the results so far have been mixed. By 1992, 40% of all districts with more than 25,000 students had at least one schoolwide project. Some of these schools used the increased flexibility that these projects provided to introduce progressive changes such as more heterogeneous groupings and a greater emphasis on accelerated learning, and teaching higher-order thinking. But the majority did not substantially alter their main patterns of teaching and learning; instead, they introduced vital but traditional reforms such as reducing class size, increasing support services, and offering more parent education.[51]

NO SIMPLE SOLUTION

There is no simple solution to this problem. It is much more difficult for the government to stimulate innovation than to mandate access to services or to impose sanctions for fiscal mismanagment, though policy analysts have suggested three things that might help. One is to tie federal funding to the development of school improvement plans that not only stipulate high minimum levels of performance for student achievement but that specify the changes that will be implemented to accomplish that goal. The second is to use federal resources to build the organizational capacity of schools so that they can change their practices. Among other things, this includes technical assistance for teacher enrichment and support for parent education and involvement. The third thing is to monitor progress toward these goals, not chiefly with an eye toward sanctioning schools that fail to reach them, but for the purpose of encouraging further change and experimentation when and where it is needed.[52]

It is unlikely that this will alter regular school practices in a dramatic way. In the past, local educators have generally treated mandates for things like school improvement plans and performance assessments as bureaucratic regulations to be complied with, rather than as a stimulus to reform. Building the capacity of schools to change makes much more sense, though this must include more than the typical kinds of technical assistance and teacher training that most policy analysts have in mind. To be effective, it must also involve working with teachers to deepen their understanding of students from different classes and races, providing extra staff so that teachers and other school people have the time to design an intellectually challenging curriculum that will involve students in learning, and empowering parents not just so they can help with homework but so they can act with political and economic understanding to help reform the schools.[53]

In the end, however, whatever the federal government might do to reform education can hardly be as effective as what it might do to address "the conditions of schooling and society directly."[54] This is an old refrain but

it cannot be repeated enough. As important as any changes to the educational system itself, improving the quality and equality of education available to economically disadvantaged children and other marginalized students requires more affordable housing, improved health services and child care, and a public commitment to the eradication of poverty, economic inequality, and racial discrimination. Absent policies that address these issues, no matter what the federal government does specifically about the schools, it will be difficult to improve the quality of education in high-poverty schools and to reduce the gap in achievement between rich and poor children. This is not because poor children are culturally deprived or lack educational aspirations but because poverty, unemployment, and racial discrimination in the labor market influence students' sense of whether schools provide access to greater opportunity and consequently whether serious effort will be rewarded.[55]

None of this means, as Robert Kuttner has put it, that we should rely solely "on the power of the federal government to address national problems programmatically."[56] Recent history has not only taught us the limits of federal policy but also to be suspicious of excessive concentrations of federal power. But if there are good reasons to question the federal government's capacity to solve social problems as well as to worry about the potential abuses of federal authority, the solution is not simply to discredit state action. This may please conservatives, but it will not do very much to make schools more equal or to improve the life chances of low-income and other marginalized students. Rather, we must use federal policy to equip schools in poor communities with the kinds of economic and social resources they need to change their own circumstances. Otherwise, the obstacles facing low-income students will only get larger and the gap between rich and poor children will continue to grow. ■

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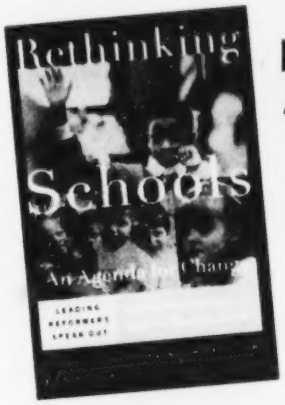

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